Manitoba
Housing and
Community Development

Annual Report
2011 – 2012

Manitoba

MINISTER
OF HOUSING AND COMMUNITY
DEVELOPMENT

Room 358
Legislative Building
Winnipeg, Manitoba R3C 0V8
CANADA

September 2012

His Honour the Honourable Philip S. Lee, C.M., O.M.
Lieutenant Governor of Manitoba
Room 235, Legislative Building
Winnipeg, Manitoba
R3C 0V8

May It Please Your Honour:

I have the pleasure of presenting the Annual Report of the Department of Housing and Community Development for the Province of Manitoba for the year 2011/12.

Respectfully submitted,

Original Signed by Kerri Irvin-Ross

Kerri Irvin-Ross

MINISTRE DE LOGEMENT ET
DÉVELOPPEMENT COMMUNAUTAIRE

Bureau 358
Palais législatif
Winnipeg (Manitoba) R3C 0V8
CANADA

Septembre 2012

Son Honneur l'honorable Philip S. Lee, C.M., O.M.
Lieutenant-gouverneur du Manitoba
Palais législatif, bureau 235
Winnipeg (Manitoba)
R3C 0V8

Monsieur le Lieutenant-Gouverneur,

J'ai le privilège de vous présenter le rapport annuel du ministère du Logement et du Développement Communautaire de la Province du Manitoba pour l'exercice 2011-2012.

Veuillez agréer, Monsieur le Lieutenant-Gouverneur, l'expression de mes sentiments les plus respectueux.

Original singé par Kerri Irvin-Ross

Kerri Irvin-Ross

Manitoba

Deputy Minister of Housing and Community Development
Legislative Building, Winnipeg, Manitoba, Canada, R3C 0V8
www.manitoba.ca

September 2012
The Honourable Kerri Irvin-Ross
Minister of Housing and Community Development
358 Legislative Building

Dear Madam,

I have the honour of presenting to you the Annual Report for the Department of Housing and Community Development for the fiscal year ending March 31, 2012. This report highlights major achievements as we move toward fulfilling departmental priorities.

Housing and community development are important to both the individual and the community's well-being. Our vision is to create strong, healthy and sustainable communities where individuals and families thrive. In partnership with Manitobans, we support the positive growth of communities across the Province by providing quality housing and supporting community development.

In 2011/12, the Department released *Strong Communities: An Action Plan*. The Plan builds on the 2009 HOME*Works!* housing strategy and policy framework and links housing with related social, economic and community development programs and policies by integrating community development initiatives with quality, affordable housing options. The plan builds on existing programs and resources in both the housing and community development areas, expands our goals and aligns with larger provincial social and economic strategies to strengthen communities throughout Manitoba.

Providing Manitobans with safe, healthy and suitable housing is a long-term priority of Manitoba Housing. In April 2011, the third year of a five-year commitment to provide 1,500 new affordable housing units began. We have achieved almost two-thirds of the five-year goal. As of March 31, 2012, a commitment was made to build 991 new affordable housing units and to provide 933 households with rent-geared-to-income assistance.

Building on investments of the past few years, Manitoba Housing continued to move forward by delivering one of the largest capital budgets in the history of the social housing program in the province. An investment of $86.3 million was made towards renovating and repairing the social housing portfolio throughout Manitoba. The commitment to renovation and repair of social housing is highlighted in our Action Plan as it helps provide safe, healthy housing which benefits all communities in Manitoba.

Manitoba Housing worked with social enterprises to provide training opportunities for people with little or no work experience as part of capital projects, green initiatives and maintenance operations. In partnership with Building Urban Industries through Local Development (BUILD), Brandon Energy Efficiency Program (BEEP) and the North End Community Renewal Corporation (NERC), approximately 100 low-income people are employed in upgrading insulation in townhouses, retrofitting water efficient fixtures in apartments and renovating homes.

Manitoba Housing continued to see success in expanding and enhancing customer service and to providing safe and secure housing for our tenants. In

2011, we expanded our community residential manager model of property management to an additional 2,000 suites in Winnipeg. By strengthening our partnerships with community groups, improving and expanding our security branch, providing funding to tenant associations and resource centres, and streamlining leasing, maintenance and other matters of property management, tenants of Manitoba Housing are receiving the best quality of service to date.

Manitoba Housing continued to address the ongoing need and demand for seniors and family housing. In 2011/12, the Department issued a Request for Proposals (RFP) to build affordable senior housing across the province. Over 25 proponents responded to the RFP for seniors housing and it is expected that 160 units of seniors housing will be developed as a result.

As well, an Expression of Interest (EOI) for the development of new affordable rental and cooperative family housing was released in August 2011. Detailed proposals will be reviewed in 2012/13 and it is expected that approximately 180 affordable family housing units will be developed as a result. All approved proposals from the Seniors RFP and EOI for Affordable Family Housing build on the commitment to provide 1,500 new affordable housing units.

Manitoba Housing continued with its ongoing support for communities in the North. In 2011/12, we committed $12 million towards renovating and rehabilitating the northern Rural and Native Housing Portfolio. With community and other government partners, we are renovating homes in Moose Lake and Cormorant, and building 24 new homes at the University College of the North in The Pas and 24 at the University College of the North in Thompson. In 2011/12, we also launched the Rural Homeownership Program which will provide access to owner-occupied housing for low to moderate-income households in targeted southern rural and northern communities.

Our land development work in the Neighbourhoods of Bridgwater continues to support new housing in one of the city's fastest growing neighbourhoods. Bridgwater Forest is the number one new community based on City of Winnipeg building permit data and had 349 building permits taken out in 2011. Bridgwater Lakes began development in 2011 and will contain 1,150 single-family lots, approximately half of these lots will be pre-engineered to allow for visitable housing, making it one of Canada's first new housing developments to offer such a large selection of visitable homes. Through the Housing Development and Rehabilitation Fund, proceeds from land sales in Bridgwater Neighbourhoods have supported the development of new affordable housing in areas of need in Winnipeg.

In July 2011, The Manitoba Housing and Renewal Corporation signed a new agreement with the federal government to provide more housing for families, seniors and other citizens. The Investment in Affordable Housing (IAH) agreement for the years 2011-2014 is designed to create new housing supply and to repair and/or renovate existing affordable housing projects in Manitoba. This agreement gives The Manitoba Housing and Renewal Corporation the flexibility to make investments that will address our province's unique housing needs.

The Department continued to work to address the housing challenges facing Manitobans. In summer 2011, the Province partnered with the Winnipeg Realtors Association to create a Rental Housing Roundtable that brings together advocates, academic and industry representatives to offer solutions for increasing the supply of affordable housing and continue the work needed to address shared housing challenges and concerns.

Neighbourhoods Alive! (NA!) is one of the province's key community economic development initiatives and in 2011/12, the Province expanded NA! in new locations by launching the Localized Improvement Fund for Tomorrow (LIFT), a new four-year program to support local community development in five new localities in Winnipeg (Weston, Osborne-Mayfair, South Pembina, Alpine-Lavalle and Elwick). In the first year of the LIFT program, NA! provided funding to 42 community projects which will increase opportunities for community capacity by providing recreation programming for youth, early childhood programming and other community enhancement programs throughout the localities.

In 2011, the Community Places Program celebrated 25 years of investing in community infrastructure across the province. Since it began, the program provided support to more than 6,500 community projects for a total of $100.8 million in grant funding. This past year, 329 groups were able to create or upgrade local recreational, wellness or cultural facilities for Manitoba families. Grant assistance of $4.5 million was allocated in 2011 and the value of local investment contribution to the approved projects totaled $39.2 million. Investments made to community programs and facilities enhance the economic development of Manitoba while developing and maintaining strong, healthy communities.

Healthy and active children are a key pillar to developing strong communities. The First Sports Program, administered through the Community Places Programs, provided a one-time $1 million investment in community sports programs throughout Manitoba. In 2011/12, over 400 applications were received with a total of 141 applications approved for $1 million in grants towards sustainable recreation and wellness programs.

In January 2012, the Province launched the International Year of Co-operatives with a celebration at the Legislature. As part of the celebration, Youth Cooperative Services was developed for students ages 12-17 to learn cooperative social and business skills while gaining summer employment. As well, Manitoba Housing added a one-time bursary to recognize the International Year of Co-operatives to our BUILDING*Foundations* Program. In recognition of this special year, Manitoba will partner with the cooperative community to plan events throughout the 2012 year that raise awareness and support the cooperative model.

The Department continued its progress in securing housing for individuals experiencing homelessness by developing and providing a range of affordable housing for Manitoba's most vulnerable population. We are continuing to develop relationships with homeless advocates and community partners in creating and implementing new initiatives to address homelessness. The conversion of the Bell Hotel, the Madison Lodge and the provision of interim housing units for youth for the Resource Assistance for Youth (RaY) program are all part of our commitment to addressing homelessness.

This Annual Report describes the progress Housing and Community Development has made in meeting our objectives. We will continue to work closely with all stakeholders to achieve our primary goal of helping those most in need to access appropriate and affordable housing.

Respectfully Submitted,

Original Signed by Joy Cramer

Joy Cramer

Manitoba

Sous-ministre de Logement et Développement communautaire
Palais législatif, Winnipeg, Manitoba, Canada, R3C 0V8
www.manitoba.ca

Septembre 2012
Madame Kerri Irvin-Ross
Ministre du Logement et du Développement communautaire
Palais législatif, bureau 358

Madame la Ministre,

J'ai l'honneur de vous présenter le rapport annuel du ministère du Logement et du Développement communautaire pour l'exercice ayant pris fin le 31 mars 2012. Le présent rapport souligne les principales réalisations du ministère par rapport aux priorités établies.

Le logement et le développement communautaire sont importants pour chacun et pour le bien-être de la collectivité. Nous avons pour vision de créer des collectivités fortes, saines et durables au sein desquelles s'épanouissent les personnes et les familles. En partenariat avec les Manitobains, nous soutenons la croissance positive des collectivités dans toute la province en fournissant des logements de qualité et en appuyant le développement communautaire.

En 2011-2012, le Ministère a publié *Strong Communities: An Action Plan*. Ce plan d'action s'appuie sur Foyers*Clés!*, la stratégie de logement et le cadre d'action dévoilés en 2009, et relie le logement aux programmes et politiques de développement économique, social et communautaire connexes en intégrant des mesures de développement dans des options de logement de qualité abordable. Il s'appuie sur des ressources et des programmes existants dans les secteurs du logement et du développement communautaire, élargit nos objectifs et s'aligne sur des stratégies économiques et sociales provinciales plus générales afin de renforcer les collectivités dans l'ensemble du Manitoba.

Fournir aux Manitobains des logements sûrs, sains et convenables fait partie des priorités à long terme de Logement Manitoba. En avril 2011 a commencé la troisième année d'un engagement quinquennal à fournir 1 500 nouveaux logements abordables. Nous sommes presque aux deux tiers de l'objectif à cinq ans. Le 31 mars 2012, un engagement a été pris de construire 991 nouveaux logements abordables et de fournir à 933 ménages une aide sous forme de loyer indexé sur le revenu.

Fort des investissements de ces toutes dernières années, Logement Manitoba a poursuivi sur sa lancée et présenté un des plus gros budgets d'équipement de l'histoire du programme de logement social de la province. Un montant de 86,3 millions de dollars a été investi dans des travaux de rénovation et de réparation du parc de logement social dans tout le Manitoba. La volonté de rénover et de réparer les logements sociaux est soulignée dans notre Plan d'action et elle aide à fournir des logements sûrs et sains qui profitent à toutes les collectivités du Manitoba.

Logement Manitoba a travaillé en collaboration avec des entreprises sociales, afin d'offrir dans le cadre de projets d'équipement, d'initiatives vertes et d'activités d'entretien des possibilités de formation à des personnes ayant peu ou pas d'expérience professionnelle. En partenariat avec Building Urban Industries through Local Development (BUILD), Brandon Energy Efficiency Program (BEEP) et la North End Community Renewal Corporation (NERC), une centaine de personnes à faible revenu sont employées à des travaux d'amélioration de l'isolation de maisons

en rangée, d'installation de dispositifs économiseurs d'eau dans des appartements et de rénovations de maisons.

Logement Manitoba a continué avec succès d'élargir et d'améliorer le service à la clientèle et de fournir à ses locataires des logements sûrs et sécuritaires. En 2011, nous avons, en matière en gestion immobilière, élargi à 2 000 appartements de plus à Winnipeg notre modèle de gestionnaires de résidences communautaires. En renforçant nos partenariats avec des groupes communautaires, en améliorant et en élargissant nos services de sécurité, en fournissant des fonds à des associations de locataires et à des centres de ressources, et en simplifiant la location, l'entretien et d'autres aspects de la gestion immobilière, nous offrons à nos locataires la meilleure qualité de service qui soit.

Logement Manitoba a continué de répondre au besoin et à la demande continus de logements familiaux et de logements pour les aînés. En 2011-2012, le Ministère a publié une demande de propositions (DDP) en vue de construire des logements abordables pour les aînés dans toute la province. Plus de 20 promoteurs ont répondu à cette DDP et 160 logements de ce type devraient donc être construits.

De plus, une déclaration d'intérêt concernant la création de nouveaux logements familiaux locatifs et coopératifs abordables a été publiée en août 2011, avec novembre 2011 comme date limite. Des propositions détaillées seront examinées en 2012-2013 et environ 180 logements familiaux abordables devraient être construits. Toutes les propositions approuvées découlant de la DDP et de la déclaration d'intérêt susmentionnée s'appuient sur l'engagement de fournir 1 500 nouveaux logements abordables.

Logement Manitoba a continué comme toujours de soutenir les collectivités du Nord. En 2011-2012, nous avons affecté 12 millions de dollars à la rénovation et à la remise en état du parc de logements ruraux et autochtones dans le Nord. Avec des partenaires dans les collectivités et les autres administrations, nous rénovons des maisons à Moose Lake et à Cormorant, et nous construisons 24 nouvelles maisons au Collège universitaire du Nord au Pas et 24 au Collège universitaire du Nord à Thompson. En 2011-2012, nous avons également lancé le Rural Homeownership Program qui permettra à des ménages à faible revenu et à revenu moyen d'accéder à des logements occupés par leur propriétaire dans des collectivités du Nord et dans des communautés rurales du Sud ciblées.

Nos travaux d'aménagement des terrains dans les Neighbourhoods of Bridgwater continuent de favoriser la construction de nouveaux logements dans un des quartiers en plus forte expansion de la ville. D'après les données sur les permis de construire délivrés par la ville de Winnipeg, Bridgwater Forest se classe en tête des nouvelles collectivités, avec 349 permis délivrés en 2011. Bridgwater Lakes, dont l'aménagement a commencé en 2011, comprendra 1 150 parcelles pour maisons unifamiliales, et des constructions industrialisées seront montées sur environ la moitié de ces parcelles afin de disposer de logements visitables, ce qui en fera une des toutes premières constructions de maisons neuves du Canada à offrir un tel choix de maisons visitables. Grâce au Fonds d'habitation et de rénovation urbaine du Manitoba, le produit de la vente des terrains à Bridgwater Neighbourhoods finance la création de nouveaux logements abordables dans des quartiers de Winnipeg où ils manquent.

En juillet 2011, la Société d'habitation et de rénovation du Manitoba a signé avec le gouvernement fédéral une nouvelle entente afin de fournir plus de logements aux familles, aux aînés et à d'autres citoyens. L'entente sur les investissements dans le logement abordable (ILA) pour les années 2011-2014 vise à créer une nouvelle offre de logements et à réparer et/ou rénover des logements abordables existants au Manitoba. Cette entente donne à la Société d'habitation et de rénovation du Manitoba la latitude de faire des investissements destinés à répondre aux besoins particuliers de la province en matière de logement. Des détails sur les progrès des ILA sont inclus dans ce rapport.

Le Ministère a continué de travailler pour remédier aux problèmes de logement auxquels sont confrontés les Manitobains. Durant l'été 2011, la province s'est associée à la Winnipeg Realtors Association pour créer une table ronde sur le logement locatif réunissant des défenseurs des locataires, des universitaires et des représentants de l'industrie afin d'offrir des solutions pour augmenter l'offre de logements abordables et de continuer de faire le nécessaire pour régler les problèmes et répondre aux préoccupations communes en matière de logement.

Quartiers vivants! (QV!) est une des initiatives clés de la province en matière de développement économique communautaire et, en 2011-2012, la province l'a implantée dans de nouveaux endroits en lançant le Localized Improvement Fund for Tomorrow (LIFT), nouveau programme quadriennal destiné à soutenir le développement communautaire local dans cinq nouvelles localités à Winnipeg (Weston, Osborne-Mayfair, South Pembina, Alpine-Lavalle et Elwick). Durant la première année du programme LIFT, QV! a fourni des fonds pour 42 projets communautaires qui accroîtront les possibilités de renforcer les capacités communautaires en proposant des programmes récréatifs pour les jeunes, des programmes pour la petite enfance et d'autres programmes d'amélioration communautaire dans toutes les localités.

En 2011, le Programme Place aux communautés a fêté 25 ans d'investissement dans les infrastructures communautaires dans toute la province. Depuis qu'il existe, ce programme a aidé à financer plus de 6 500 projets communautaires pour un total de 100,8 millions de dollars en fonds de subventions. Au cours de l'année écoulée, 329 groupes ont pu créer ou moderniser des installations récréatives, culturelles ou de mieux-être locales destinées aux familles du Manitoba. Une aide financière sous forme de subventions d'un montant global de 4,5 millions de dollars a été accordée en 2011 et la contribution locale aux investissements dans les projets approuvés s'est élevée en tout à 39,2 millions. Les investissements dans les programmes et les installations communautaires renforcent le développement économique du Manitoba tout en développant et en maintenant des collectivités fortes et saines.

Des enfants actifs et en bonne santé sont un des principaux piliers du développement de collectivités fortes. Le First Sports Program, administré dans le cadre du Programme Place aux communautés, a investi à titre ponctuel 1 million de dollars dans des programmes de sport communautaires dans toute la province. En 2011-2012, plus de 400 demandes ont été reçues et 141 ont été approuvées pour un total de 1 million de dollars de subventions pour des programmes de loisirs et de mieux-être durables.

En janvier 2012, la province a également lancé l'Année internationale des coopératives, qui a été marquée officiellement à l'Assemblée législative. À cette occasion, des Youth Cooperative Services ont été créés pour les élèves de 12 à 17 ans afin qu'ils acquièrent des compétences en activités coopératives et sociales, tout en travaillant l'été. Par ailleurs, Logement Manitoba a ajouté à son Programme BUILDING*Foundations* une bourse ponctuelle à l'occasion de l'Année internationale des coopératives. Pour marquer cette année spéciale, le Manitoba s'associera avec le monde coopératif afin de planifier tout au long de 2012 des manifestations qui feront mieux connaître et davantage soutenir le modèle coopératif.

Le Ministère a continué d'œuvrer pour trouver des logements aux sans-abri en créant et en fournissant tout un éventail de logements abordables à la population la plus vulnérable du Manitoba. Nous continuons de nouer des relations avec les défenseurs des sans-abri et avec les partenaires communautaires pour créer et mettre en œuvre de nouvelles initiatives pour venir en aide aux sans-abri. La conversion de l'hôtel Bell, le Madison Lodge et la fourniture de logements provisoires pour jeunes au programme Resource Assistance for Youth (RaY) illustrent tous notre volonté de lutter contre le sans-abrisme.

Ce Rapport annuel décrit les progrès accomplis par Logement et Développement communautaire Manitoba dans la réalisation de ses objectifs. Nous continuerons de travailler en étroite collaboration avec toutes les parties intéressées pour atteindre notre principal objectif, qui est d'aider les personnes qui en ont le plus besoin à accéder à un logement adéquat et abordable.

Je vous prie, Madame la Ministre, d'agréer l'assurance de ma haute considération,

Original singé par Joy Cramer

Joy Cramer

Table of Contents

Title	Page
Minister's Letter of Transmittal	3
Deputy Minister's Letter of Transmittal	7
Preface	15
Introduction	15
Report Structure	15
Role, Mission, Goals and Guiding Principles	15
Overview	17
Organization Chart as at March 31, 2012	19
Minister and Executive Support	20
Manitoba Housing	22
Social Housing Management	26
Asset Management	28
Housing Delivery	30
Northern Housing Operations	32
Land Development	34
Corporate Services Division	35
Financial Services	35
Corporate Management Services	37
Risk Management Services	38
Community Development & Strategic Initiatives Division	39
Community and Cooperative Development	40
Strategic Initiatives	46
Community Relations	48
Costs Related to Capital Assets	51
Financial Information	52
Five-Year Expenditure and Staffing Summary Table	52
Reconciliation Statement	53
Expenditure Summary Table	54

Appendices

Appendix 1 Sustainable Development 58
Appendix 2 Performance Indicators 62
Appendix 3 AllAboard Performance Indicators 72
Appendix 4 *The Public Interest Disclosure (Whistleblower Protection) Act* 73
Appendix 5 The Co-operative Loans and Loans Guarantee Board 74
Appendix 6 Manitoba Housing and Renewal Corporation – Financial Statements 75

PREFACE

INTRODUCTION

The Department of Housing and Community Development was established by Order in Council No. 348/2009 on November 3, 2009. The Minster of Housing and Community Development is also the Minister Responsible for the Voluntary Sector.

REPORT STRUCTURE

The Annual Report is organized in accordance with the Department of Housing and Community Development appropriation structure as set out in the Main Estimates of Expenditures of the Province of Manitoba for the fiscal year ending March 31, 2012. The report includes information at the Main and Sub-Appropriation levels related to the Department's objectives, actual results, financial performance and variances. A five-year adjusted historical table of staffing and expenditures is provided. In addition, expenditure and revenue variance explanations are provided.

ROLE, MISSION, GOALS AND GUIDING PRINCIPLES

Role and Mission

In July 2011, Housing and Community Development announced *Strong Communities: An Action Plan*. This document establishes a new Vision, Mission and Guiding Principles for the Department and highlights the overall goals and actions that direct the Department's activities.

VISION: Strong, healthy and sustainable communities where individuals and families thrive.

MISSION: In partnership with Manitobans, we support the positive growth of communities across the Province by providing quality housing and supporting community development.

The Department has a broad mandate including a range of housing and community development programs and initiatives that support community development and create opportunities for people to engage in activities that promote well-being and social inclusion where they live. Through the activities of The Manitoba Housing and Renewal Corporation, we strive to enhance the quality of life and well-being of Manitobans by providing access to safe and affordable housing in communities across Manitoba, particularly for those of low and moderate income or those with specialized needs. It is also our role to ensure an adequate supply of housing as well as maintain and improve the condition of existing housing stock and stimulate activities within the housing market to the benefit of Manitobans as a whole.

By working together with community partners, we are building communities and revitalizing neighbourhoods while engaging residents in the process. By employing a service-oriented approach to social housing, we are working toward improved relationships with our tenants, community residents and stakeholders to help house Manitobans.

The Department is responsible for a comprehensive range of housing and community development services and financial assistance programs. Some of these programs and services are delivered directly by the Department, while others are provided in partnership with a variety of private non-profit and community-based groups.

The overall responsibilities of the Minister and the Department include:

- providing policy direction on matters relating to housing and community development;
- providing financial and administrative support for the development, delivery and management of housing and community development programs and operations;
- assisting Manitobans to access safe, appropriate and affordable housing;
- fostering community capacity and engaging the broader community to participate in and contribute to decision-making; and
- providing respectful and appropriate delivery of programs and services.

Goals

- Promote and support community development.
- Build greater community capacity.
- Sustain existing social and affordable housing stock.
- Address affordability and increase supply of quality affordable housing.
- Enhance tenant opportunities and services.
- Build capacity of Manitoba Housing and Community Development.

Guiding Principles

- **Housing and community development issues are interrelated with health, education and social and economic well-being.** Manitoba Housing and Community Development works with other provincial departments and agencies to develop and deliver appropriate policies and programs.
- **Investment is maximized through efficient and effective use of resources.** Manitoba Housing and Community Development makes the most of its resources by coordinating housing and community development programs and services with other public policy areas.
- **Increase independence and self-reliance of people and their communities.** Provincial housing and community development initiatives help local people meet local needs and support the development of individual and community capacity.
- **Partnerships strengthen the housing environment and our communities.** Governments, community groups, Aboriginal organizations, the private sector and all citizens work together to build communities and support the effective functioning of the housing market.
- **Housing and healthy communities are a shared responsibility.** Individuals, communities, the private and non-profit sectors and all levels of government are responsible for good housing outcomes and healthy communities.
- **Housing and community development activities strive to promote social inclusion.** Citizens are encouraged to help address local issues that affect their lives. We support their efforts to increase economic and social independence, personal accountability, individual choice and the

equitable development of Manitoba communities. Manitoba Housing and Community Development activities promote well-being and human dignity, provide local employment, develop local skills and knowledge, and encourage local ownership and decision-making, whenever possible.

- **Strong communities have a range of housing options and community development activities that foster economic, social and environmental goals.** A variety of tools are needed to respond successfully to the changing circumstances of residents and communities.

OVERVIEW

The Department of Housing and Community Development consists of the Crown Corporation Manitoba Housing and Renewal Corporation (Manitoba Housing), and and two distinct program delivery and support service divisions. Manitoba Housing is the owner of all provincial housing assets and is responsible for the delivery of social and affordable housing programs, renovation and repair, and homeownership programs. Manitoba Housing is an approved lender under *The National Housing Act*. The Corporation also manages and develops land held in the provincial Land Bank. This work is accomplished through the Corporation's five branches: Social Housing Management; Asset Management; Northern Housing Operations; Land Development; and Housing Delivery.

The Community Development and Strategic Initiatives Division includes the Community and Cooperative Development Branch that administers the Community Places, Neighbourhoods Alive!, and Cooperative Development Services programs. These programs coordinate and/or deliver programming to assist communities in providing sustainable recreational, social benefits for their communities; support and strengthen community economic development and community development; and maintain and encourage new cooperative development opportunities. The Division also includes two other Branches: Strategic Initiatives and Community Relations that support the Department and the Corporation.

The Corporate Services Division consists of three service areas that provide comprehensive central support services to corporate operations and branches including direction and support in financial planning; financial evaluations and protection of corporate assets; reporting control policies, processes and procedures; information technology planning; legal support services; and risk management.

The Department's programs and services are budgeted under four main appropriations: Administration; Housing; Community Development and Costs Related to Capital Assets.

The Department's Organization Chart follows this Overview.

The statutory responsibilities of the Minister of Housing and Community Development are as follows:

The Co-operative Associations Loans and Loans Guarantee Act;
The Cooperative Promotion Trust Act;
The Elderly and Infirm Persons' Housing Act (with respect to elderly persons' housing units as defined in the Act);
The Housing and Renewal Corporation Act [except Clause 44(k) and The Manitoba Shelter Benefit Regulation (MR. 148/2006)]; and
The Poverty Reduction Strategy Act.

The Co-operative Associations Loans and Loans Guarantee Act, and *The Housing and Renewal Corporation Act*, require the Minister to report annually to the Legislature. These reporting requirements for 2011/12 are met by this Annual Report.

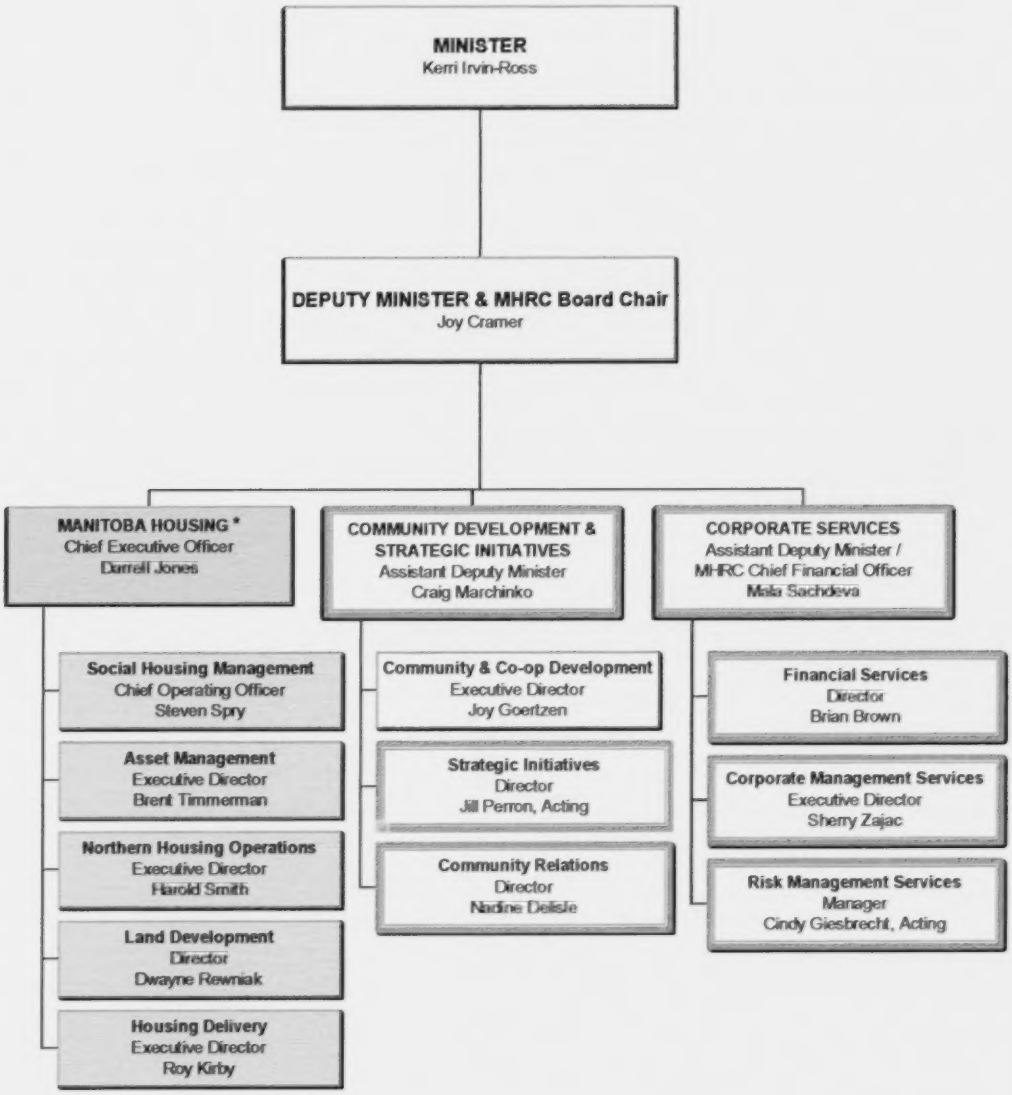
The Cooperative Promotion Trust Act also requires the Minister to report annually to the Legislature. The Cooperative Promotion Board (CPB) Annual Report is produced separately from the Department of Housing and Community Development Annual Report. The CPB Annual Report includes:

members of the Board; an overview of *The Cooperative Promotion Trust Act* legislation which empowers the Board to utilize income from investments; activities of the Board; financial information; and the Auditors' report. The CPB Annual Report for the year 2011/12 can be obtained at 2nd Floor - 406 Edmonton Street, Winnipeg, MB, R3B 2M2, telephone (204) 945-3379 or online at http://www.gov.mb.ca/housing/housingpublications.html

Responsibility for *The Poverty Reduction Strategy Act* was transferred to the Minister of Housing and Community Development in February 2012. *The Poverty Reduction Strategy Act* requires a yearly budget statement, an Annual Report, and the establishment of an ALLAboard Committee to provide overall direction to the strategy. The ALLAboard Annual Report will include data on 21 indicators set in regulation that provide a picture of poverty across the province. The Department of Family Services and Labour provides policy support and coordination for AllAboard, Manitoba's Poverty Reduction and Social Inclusion Strategy. As three of the 21 indicators relate to the Department of Housing and Community Development, they are included in this report as Appendix 3.

ORGANIZATION CHART

(as of March 31, 2012)



*The Manitoba Housing and Renewal Corporation

☐ - Responsibilities in the Department

☐ - Responsibilities in the Crown Corporation

■ - Responsibilities in the Department and Crown Corporation

MINISTER AND EXECUTIVE SUPPORT

MINISTER'S SALARY

Objectives

- To provide overall policy direction and central support services for the Department.

Responsibilities

- Provides for the executive management, planning, support and administrative control of departmental policies and programs for the Department.
- Provides for the overall policy direction to the Department pertaining to program and financial matters and central support services for the provision and delivery of services by the Department.

30-1A Minister's Salary

Expenditures by Sub-Appropriation	Actual 2011/12 $000	FTE	Estimate 2011/12 $000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	37	1.00	37	-	

EXECUTIVE SUPPORT

Executive Support includes the offices of the Minister and the Deputy Minister.

Objectives

- To advise the Minister on all policy and program matters related to departmental services.
- To manage the activities of the Department.

Responsibilities

- Interprets and implements government policy through the delivery of departmental programs.
- Ensures effective and efficient management of departmental programs.
- Safeguards the public interest through enforcement of legislation and regulations.
- Ensures effective development and management of the Department's human resources.
- Provides leadership to the Department and advice to the Minister on policy development and resolution of policy issues.

30-1B Executive Support

Expenditures by Sub-Appropriation	Actual 2011/12 $000	FTE	Estimate 2011/12 $000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	640	9.00	640	-	
Total Other Expenditures	78		66	12	

SUPPORT SERVICES

Objectives

- To provide policy direction for the activities of the Department.
- To provide a broad range of operational and administrative support services to the operating divisions.

Responsibilities

- Provides direction on financial and administrative policies and operational procedures and practices to divisional staff.
- Provides project management supports for the planning and implementation of integration initiatives across the Department.

30-1C Support Services

Expenditures by Sub-Appropriation	Actual 2011/12 $000	FTE	Estimate 2011/12 $000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	749	10.00	800	(51)	1
Total Other Expenditures	58		68	(10)	1

1. The under expenditure in both salaries and operating is attributable to vacant positions during the year.

MANITOBA HOUSING

Manitoba Housing is a Crown Corporation created by statute (*The Housing and Renewal Corporation Act*) in 1967. The legal name of the corporation is The Manitoba Housing and Renewal Corporation (MHRC). Manitoba Housing is mandated under *The Housing and Renewal Corporation Act* and is governed by a Board of Directors appointed by the Lieutenant Governor in Council with policy direction provided by government. The Deputy Minister of Housing and Community Development serves as Chair of the Board of Directors. The Board meets at least quarterly to fulfill the legal and financial obligations of the Corporation and to consider and approve specific policy-related items.

The Housing and Renewal Corporation Act provides Manitoba Housing with a mandate to:

a) enhance the affordability of, and accessibility to, adequate housing for Manitobans, particularly those of low to moderate incomes or those with specialized needs;
b) maintain and improve the condition of existing housing stock;
c) ensure there is an adequate supply of housing stock in Manitoba; and
d) stimulate the activities of the housing market to the benefit of Manitobans as a whole.

In fulfilling its mandate, Manitoba Housing has the capacity to engage in many activities including: constructing and developing new and affordable housing; rehabilitating existing housing in areas of need; acquiring and disposing of land and/or buildings; making grants and loans; managing finances, including the investment and borrowing of funds and the provision of loan guarantees; creating and overseeing the operations of local housing authorities; and entering into inter-governmental agreements for renewal schemes and renewal projects for which provision is made under *The National Housing Act*.

Manitoba Housing's corporate structure is divided into branches based on functional areas:

- Social Housing Management;
- Asset Management;
- Northern Housing Operations;
- Land Development; and
- Housing Delivery.

Manitoba Housing owns the Province's housing portfolio and provides subsidies to approximately 34,800 housing units under various housing programs. Within the portfolio, Manitoba Housing owns approximately 17,900 units of which approximately 13,500 units are directly managed by Manitoba Housing and approximately another 4,400 units are operated by non-profit/cooperative sponsor groups or property management agencies.

Manitoba Housing also provides subsidy and support to approximately 16,900 households (including over 4,400 personal care home beds) operated by cooperatives, Urban Native and private non-profit groups.

The Corporation manages and develops land held in the provincial Land Bank. Through the Housing Development and Rehabilitation Fund, Manitoba Housing contributes to the development of suburban neighbourhoods and reinvests the profits from land development activities in areas of identified need in a manner that supports province-wide housing initiatives. Manitoba Housing currently holds approximately 1,463 acres in its Land Inventory of which 1,327 acres are located in the Winnipeg Census Metropolitan Area and 136 acres are in rural Manitoba.

A complete overview of the activities of Manitoba Housing is outlined in the narrative segments of its operational and support/services branches, following this section.

HOME*Works!* Long-Term Housing Strategy

HOME*Works!* Housing Strategy and Policy Framework for Manitoba was developed and launched prior to the establishment of Manitoba Housing and Community Development as a standalone department in November 2009. HOME*Works!* was launched in conjunction with a $378 million Two-Year Investment Plan (2009/10 – 2010/11).

The first two years of a commitment to provide 1,500 units of social housing over five years (2009/10-2013/14) were reflected in the Two-Year Investment Plan. As of March 31, 2011, Housing and Community Development exceeded the target of 600 new affordable and 600 Rent-Geared-To-Income (RGI) assistance by committing a total of 707 new affordable housing units and adding RGI assistance to 628 more households.

The 2011/12 fiscal year represents the third year of the 1,500 unit commitment. As of March 31, 2012, Housing and Community Development committed funding towards a total of 991 new affordable housing units and 933 households with RGI assistance.

Building on the 2009 HOME*Works!* strategy, the Department established a new Strategy and Policy Framework 2011 and released the document *Strong Communities: An Action Plan* to the public in spring 2011. The Action Plan was developed by undertaking visioning and strategic goal forums with staff at all levels of the organization and through community consultations in Winnipeg, Neepawa and Thompson. These documents reflect the expanded mandate and scope of activities of Housing and Community Development as an integrated department, including its active role in supporting the social economy, addressing social challenges in Manitoba communities, and promoting housing solutions as a key component of community development. These documents outline our principles, establish priority areas of investment, goals and targets that guide the Department's daily operations and future plans.

Homelessness Initiatives

Manitoba Housing continued to work in partnership with the Departments of Family Services and Labour; Health; Healthy Living, Seniors and Consumer Affairs; Entrepreneurship, Training and Trade as well as numerous partners from other levels of government and the community to provide a range of affordable housing with appropriate supports for individuals with mental health and homelessness issues.

We support a number of existing homelessness initiatives that formed part of the HOME*Works!* Homeless Strategy with a Focus on Mental Health announced on May 21, 2009. It is an important component of the HOME*Works!* Housing Strategy, and is linked to the AllAboard Poverty Reduction Strategy and the June 2009 Discussion Paper entitled "Opening Doors Manitoba's Commitment to Persons with Disabilities". The homelessness initiatives include ten projects that fall under the following four components:

- Emergency Shelters (Increased Funding and Capacity, Emergency Shelter Standards, Salvation Army Project, Cold Weather Strategy)
- Outreach (Homeless Outreach Mentors, Project Breakaway)
- Housing with Services (Portable Housing Benefit, Community Wellness Initiative, Mental Health Housing)
- Prevention (Homelessness Prevention Summit).

Through the leadership of Cross Department Coordination Initiatives (CDCI), the following projects continued to receive MHRC funding in 2011/12: Emergency Homeless Shelters, Homeless Outreach Mentors, Project Breakaway, Community Wellness Initiative, Portable Housing Benefit and Mental Health Housing [the Bell Hotel, Community Housing with Supports, the Madison, and Resource Assistance for Youth's Emergency Shelter and Transition (REST) program].

CDCI partnered with Housing and Community Development to transition the leadership for homelessness project and program coordination, as well as oversight of MHRC funding, to Housing and Community Development's Social Housing Management Branch effective April 1, 2012.

Shelter Programs

Manitoba Housing also provides financial assistance for benefits under the following shelter programs.

- Portable Housing Benefit provides a portable rent supplement (attached to the individual) of up to $200 per month, combined with housing supports to maintain a stable tenancy, for individuals receiving Employment and Income Assistance (EIA) with a mental health disability.
- School Tax Assistance for Tenants Aged 55 Plus (STAT 55+) provides an annual grant of up to $175 to tenants aged 55 years or older, to offset the school tax portion of rental costs.
- The Complementary Assistance Program provides grant assistance to housing cooperatives to lower housing charges for income-tested occupants. This program is now closed to applicants.
- The Rent Supplement Program assists low and moderate-income families, individuals and senior households to obtain suitable housing in the private rental sector and in non-profit housing projects.

Portable Housing Benefit

The Portable Housing Benefit (PHB) provides a rent supplement of up to $200 per month, combined with housing supports to maintain a stable tenancy, for low-income Manitobans receiving EIA with a mental health disability. Recipients must have an unstable housing situation that is interfering with their progress in recovery and/or positive participation in community life. This rent supplement is portable, as it is attached to the individual rather than to a housing unit. The PHB was introduced in July 2008 as a pilot project in Brandon, Thompson and Winnipeg, and was expanded to all regions of the province in April 2010. The PHB is delivered by mental health community partners, who are funded to provide these supports. PHB payments are administered by Manitoba Family Services and Labour, Provincial Services. The following table provides program information for the past three years:

Fiscal Year	Number of Recipients as at March 31	Average Monthly Benefit Paid $	Expenditures ($000)			
			Benefits	Housing Supports	Other*	Total
2009/10	193	179	272	215	41	528
2010/11	381	177	634	493	40	1,167
2011/12	522	180	987	609	40	1,636

* *Includes evaluation.*

School Tax Assistance for Tenants 55 Plus

The School Tax Assistance for Tenants 55 Plus program provides an annual grant of up to $175 to low-income tenants aged 55 years or older, to offset the school tax portion of rental costs. The grant is payable once a year. Applications submitted during 2011 relate to rents paid during the 2010 calendar year. This program is funded by Manitoba Housing but delivered through Manitoba Family Services and Labour, Provincial Services, on behalf of the Department of Finance. Program expenditures are recovered from the Department of Finance.

Applicants must meet eligibility criteria. Tenants aged 55 years or older whose net income is less than $23,800 and who rented their principal residence in the private rental market during the previous calendar year are generally eligible. Pensioners, who were eligible but did not receive their rebate during previous years, can apply for benefits retroactively for up to four years. Tenants living in non-profit housing for the elderly or in projects licensed under *The Elderly and Infirm Persons' Housing Act* do not qualify for benefits under this program because rents in these housing projects do not include school tax costs.

During the year ended March 31, 2012, 1,728 rebate cheques were issued (including retroactive/partial year cheques) representing an expenditure of $199,760 for the fiscal year. The following table provides program information for the past three years:

Fiscal Year	Total Applications Received	Total No of Recipients	Average Annual Benefit Paid $	Expenditures Total* $000
2009/10	1,920	1,815	103	243
2010/11	2,167	1,799	105	238
2011/12	2,024	1,728	98	200

** Includes multiple rebates for retroactive benefits, and applications received in the previous fiscal year and paid in the current fiscal year.*

Complementary Assistance Program

The Complementary Assistance Program provides grant assistance to housing cooperatives to lower housing charges for income-tested occupants. Applicants must meet income eligibility criteria. Cooperatives submit monthly statements to claim assistance on behalf of eligible clients.

While the program is closed to new applications from cooperatives, Complementary Assistance Program assistance continues to be provided to cooperatives under previous commitments.

During the year ended March 31, 2012, 31 households in five cooperatives were subsidized through the Complementary Assistance Program. A total of $72,689 was expended during the fiscal year. The following table provides program information for the past three years:

Fiscal Year	No. of Co-ops at Year End	No. of Recipients at Year End	Expenditures Total $000
2009/10	6	41	88
2010/11	6	41	77
2011/12	5	31	73

Rent Supplement Program

The Rent Supplement Program is designed to assist low and moderate-income families and senior households to obtain suitable housing in the private rental sector and in non-profit housing projects. The provincial government has entered into agreements with owners/operators of private rental stock whereby the Province subsidizes the difference between the approved market rental rate charged by the landlord and the rent-geared-to-income rate paid by the qualifying tenant. The following table provides program information for the past three years:

Fiscal Year	Eligible Units Subsidized as at March 31	Average Monthly Supplement Paid $	Expenditures Total $000
2009/10	1,114	375	4,991
2010/11	1,348	327	5,292
2011/12	1,448	335	5,514

Aging in Place / Long-Term Care Strategy

Manitoba's Aging in Place/Long-Term Care strategy is based on the Aging in Place principle that supports community-based housing with supports for seniors. This strategy is aimed at preserving the ability for Manitobans to remain in their own communities and "age in place", with support services. The strategy focuses on the development of affordable community housing options with supports as alternatives to early and inappropriate placement in a personal care home.

The Aging in Place strategy introduced three community support models:

- *Supports to Seniors in Group Living (SSGL):* Housing with enhanced services that support health promotion and independence with a goal of aging in place. This model occurs in designated community congregate settings, such as seniors' apartments and elderly persons housing.
- *Supportive Housing:* A housing with care alternative that provides personal support services and homemaking in permanent community-based congregate residential settings for primarily frail and/or cognitively impaired elderly persons who can no longer manage in their own home.
- *Specialized Supports*: Models of community specialized services for individuals with exceptional health challenges/complex care situations.

Manitoba Housing supports the Aging in Place strategy by providing social housing units for the implementation of the Supportive Housing model throughout the province. Manitoba Housing acts as the property manager and is responsible for the capital upgrades. In February 2011, the Province announced Manitoba's renewed long-term care strategy which will include more affordable supportive housing. In 2011/12, SSGL was provided to 27 Manitoba Housing-owned buildings. In addition, Manitoba Housing supports the delivery of the model by providing office and storage space and use of common areas for activities in buildings it manages throughout the province.

SOCIAL HOUSING MANAGEMENT

Objectives

- To provide affordable, quality housing for low-income Manitobans and support community groups that do the same.

Responsibilities

- Directly manages approximately 13,500 units of the provincial social housing portfolio and ten crisis shelters for victims of domestic violence. An additional 4,400 units are operated by non-profit/cooperative sponsor groups or property management agencies.
- Provides a safe and secure living environment for families, individuals and seniors at rental rates geared to the income of tenants.

- Fosters tenant engagement through tenant associations, tenant advisory committees and resource centres to support successful tenancies and sustainable social housing programs.

- Provides subsidy and support to non-profit housing groups that manage approximately 16,900 social and affordable housing units.

Activities/Highlights in 2011/12

Social Housing Management consists of two main areas: A Direct-Managed Portfolio consisting of Property, Security and Tenant Management Services; and Portfolio Administration which assists and ensures community groups are achieving program objectives defined in project operating agreements and provides ongoing administrative and governance support to the non-profit and cooperative housing providers. Social Housing Management is committed to maintaining the social housing portfolio, contributing to community revitalization efforts and supporting tenants. To this end, the branches of Social Housing Management undertook the following activities in 2011/12.

Property Services worked with tenants, contractors and the Asset Management Branch of Manitoba Housing on revitalizing 12 housing properties with a total of 1,600 suites across the province. Work was completed on six of the properties providing newly-renovated homes for 600 households. Property Services also expanded its community residential manager model of property management to an additional 2,000 suites in Winnipeg. Ten community residential managers were hired, trained and placed in charge of all aspects of their properties – leasing, maintenance and tenant relations.

The Security Branch hired additional employees to set up satellite operations in Brandon and the four regions of Winnipeg. The satellite teams are able to better engage communities in security efforts and respond more quickly to security concerns. In collaboration with Property Services and Asset Management, Security invested $600,000 to improve security systems in more than 12 properties.

Working with its non-profit housing partners, Portfolio Administration conducted 31 operational reviews, administered $10 million in federal funding for refurbishing properties and added rent supplement funding to 300 additional suites. The operational reviews ensure housing groups are meeting the conditions of their agreements and promote standard business practices. The two-year federal funding commitment for 2010 to 2012 supported major renovation projects for 68 non-profit groups. The rent supplement funding allows 300 additional households to pay rent according to their income.

The Tenant Support Services Branch works with tenant associations, resource centres, homelessness agencies and other social service agencies to promote successful tenancies and assist vulnerable people. The Branch administered funding to 25 tenant associations and 14 resource centers. The associations promote community engagement and social activities amongst tenants, while the resource centers provide support services and personal development programming that promote independence and successful tenancies.

The Branch worked collaboratively with funded agencies to successfully transition a number of homelessness initiatives from the Cross-Departmental Coordination Initiatives to Social Housing Management. Special Placement Services worked with over 32 referral agencies and 6 Winnipeg hospitals to assist vulnerable individuals to access social housing. We allocated a staff year for the creation of a Project Manager, who will be responsible for developing and implementing a transition plan for Phase 2 of the homelessness initiatives. In January 2012, we hosted and facilitated a "Community Planning Session on Homelessness and Addictions" in Thompson, to begin exploring options for improving support for Thompson's significant homeless population.

The Food Services team provides tenants with low-cost, healthy meals and supplies meals to two supportive housing programs. On a daily basis, Food Services prepared 400-500 meals for an annual total of 135,000 meals in 2011/12.

In 2011/12, Food Services operated congregate meal programs at 19 locations: 15 in Winnipeg and four in Brandon and provided between 15 and 60 meals a day. Tenants pay $4 for a full course meal. The costs of the meals are partially subsidized through grants from the Winnipeg and Brandon Regional Health Authorities.

ASSET MANAGEMENT

Objectives

- To deliver best value and consistent quality projects in the building of new housing, and in the upgrades and revitalization of the existing social housing stock.

Responsibilities

- Provides project management and professional services in the delivery of major capital initiatives.
- Invests in the renovation of the social housing portfolio to improve and upgrade the condition of social housing and contribute to community revitalization.

Activities/Highlights in 2011/12

Asset Management is committed to maintaining the social housing portfolio and contributing to community revitalization efforts. In 2011/12, Asset Management delivered the largest capital budget in the history of the direct-managed social housing program in Manitoba. Asset Management identified three areas of need and developed programs to address them. The deep, common area and exterior refresh programs will improve the quality of life for tenants, preserve and enhance the buildings, create employment and contribute to community revitalization.

In 2011/12, Asset Management committed $51.7 million for deep refresh, and modernization and improvement projects. Deep refresh projects include new flooring, paint, cabinets, energy-efficient fixtures and appliances in approximately 1,200 houses and apartments. There are a total of 11 deep refresh projects underway in Brandon, Dauphin, Riverton, and Winnipeg. The projects in Dauphin also include the conversion of 40 suites to supportive housing.

As well, starting in 2010, Asset Management committed $33.2 million over two years for the common area and exterior refresh programs. Common area refresh projects include new paint, flooring, lighting and furniture in all common areas and exterior refresh projects include tree trimming, grading and repairs to parking lots, sidewalks, stairways and fences. Asset Management completed common area refreshes on 83 buildings and exterior refreshes on 77 buildings.

In addition to our deep and common area refresh programs, we also deliver a Modernization and Improvement program. This program includes ongoing capital upgrades to building envelopes (such as roofs and windows) and systems (heating, ventilation, and fire and life safety). For a listing by community of Modernization and Improvement expenditures in 2011/12, please see the table at the end of this section.

For most tenants, these investments are the first major upgrades to their homes in many years. These programs are vital to ensuring continued delivery of social housing programs for low-income Manitobans. Investment in this portfolio also provides a significant stimulus to Manitoba's renovation industry – a driver of economic activity. By partnering with non-profit community organizations that provide training opportunities for low-income individuals, Manitoba Housing is also assisting community members to develop construction skills and contribute to the revitalization of social housing in their neighbourhoods.

2011/2012 Modernization & Improvements
Expenditures by Community

COMMUNITY	ACTUAL $	COMMUNITY	ACTUAL $
Altona	122,470	Middlebro	36,736
Arborg	40,380	Miniota	28,236
Ashern	220,061	Minnedosa	29,276
Beausejour	159,237	Moose Lake	67,568
Benito	51,876	Moosehorn	566,948
Birtle	252,005	Morden	75,941
Boissevain	24,298	Neepawa	1,131,541
Brandon	3,870,572	Norway House	487,413
Brochet	61,978	Notre Dame	141,010
Brookdale	17,858	Oakbank	41,519
Carberry	28,119	Oakburn	19,903
Carman	34,512	Oakville	82,096
Cartwright	41,323	Pine River	42,434
Churchill	5,316,411	Portage	477,586
Cormorant	70,401	Powerview	309,677
Cross Lake	603,661	Richer	29,221
Dauphin	2,499,850	Rivers	67,537
Duck Bay	93,388	Riverton	299,634
East Selkirk	29,491	Rossburn	172,455
Ebb & Flow	100,197	Sandy Lake	68,295
Eddystone	79,786	Selkirk	245,966
Eriksdale	45,276	Sifton	24,300
Ethelbert	3,507	Souris	232,154
Fisher Branch	165,906	St Adolphe	44,101
Flin Flon	60,756	St Claude	87,990
Garson	11,812	St Eustache	98,297
Gilbert Plains	243,051	St Lazare	124,243
Gimli	131,139	St Rose du Lac	38,043
Glenboro	14,519	St Martin Junction	39,143
Glenella	75,345	Stead	67,515
Grandview	14,607	Stonewall	49,513
Great Falls	24,234	Swan River	240,541
Gretna	64,357	Teulon	163,153
Hadashville	14,278	The Pas	558,493
Hartney	13,687	Thompson	218,707
Killarney	710,312	Tyndall	46,636
Lac du Bonnet	98,511	Virden	28,235
Laurier	38,173	Vita	97,222
Lorette	4,601	Vogar	201,828
Lundar	112,210	Wabowden	194,882
Manigotagan	80,085	Whitemouth	35,210
Manitou	153,237	Winkler	54,883
McAulley	12,065	Winnipeg	38,006,408
McCreary	1,120,593	Winnipegosis	247,788
Melita	147,202		
TOTAL M&I			**62,397,615**

HOUSING DELIVERY

Objectives

- To deliver projects, programs, and initiatives for the Department related to increasing the supply of (affordable) housing and to sustaining Manitoba's existing housing stock.

Responsibilities

- Responsible for the delivery and administration of housing programs which target the creation of additional rental and cooperative housing in Manitoba.

- Responsible for the delivery and administration of housing programs which target the creation of additional homeownership housing in Manitoba.

- Responsible for the delivery and administration of housing programs which target the repair and renovation of Manitoba's existing housing inventory.

- Responsible for the delivery and administration of other complementary housing programs/initiatives which support Housing Delivery's objectives.

Activities/Highlights in 2011/12

HOME*Works!*

In June 2009 the province announced HOME*Works!* Housing Strategy and Policy Framework for Manitoba. The HOME*Works!* strategy included housing commitments of 712 units funded under the 104.5 million three year initiative announced in 2007. HOME*Works!* was announced in conjunction with a $327 million Two-Year Investment Plan in Housing (2009/10 and 2010/11) related to the signing of the 2009 extension of the Canada-Manitoba Affordable Housing Agreement and the Government of Canada's Economic Stimulus Plan. In 2011, HOME*Works!* investments are being further supported by the signing of the 2011-2014 Canada Manitoba Investment in Affordable Housing (IAH) Agreement.

Projects announced in 2011/12 under HOME*Works!* include a $8.2 million investment with Sara Riel for the development of 28 integrated, affordable units to serve low- to moderate-income families and individuals with mental health needs.

Request for Proposals for the Development of Affordable Seniors Housing

As part of Manitoba's public commitment to develop the supply of 1,500 new affordable housing units by March 31, 2014, in May 2011 the Department released a Request for Proposals (RFP) for the development of affordable seniors housing projects. The RFP had a submission deadline of September 2011 and represented a key component of the Department's delivery strategy to meet the 1,500 unit commitment.

Conditional project commitments are in place to support the development of over 160 units with approximately $10.0 million in combined federal and provincial funding under the 2009 – 2011 Affordable Housing Extension and the 2011 – 2014 IAH agreements.

Request for Expressions of Interest for the Development of Affordable Family Housing

In August 2011, the Department released a Request for Expressions of Interest (EOI) to solicit ideas, concepts, or specific project proposals for the development of new affordable rental and cooperative family housing. The EOI Request is part of Manitoba's commitment to develop the supply of 1,500 new affordable housing units. A request for detailed proposals will be extended in 2012/13 and will be ultimately reviewed by Manitoba Housing with the intent to enter into an agreement for project development. The EOI is anticipated to support the development of approximately 180 affordable family housing units, or roughly six to eight new affordable family projects.

Repair and Renovation Programs

Manitoba Housing delivered the Homeowner Emergency Loan Program (HELP). This program, funded exclusively by Manitoba, offered a no-interest repayable loan of up to $3,000 for emergency home repairs. During 2011/12, $19,500 was committed to assist with the cost of emergency repairs.

On June 29, 2010, the Secondary Suites Program was launched as a new affordable housing option to increase the supply of quality, affordable housing. In 2011/12, Housing Delivery continued to deliver this $1.4 million initiative. To date $1.285 million has been committed to assist in funding the construction of 39 secondary suites throughout the Province, with 24 in Winnipeg and 15 in rural and northern regions.

Provincial/Federal Funding for New Affordable Housing and Renovation Programs

The Governments of Canada and Manitoba signed Phase I of the Canada-Manitoba Affordable Housing Agreement in September 2002 and signed a Phase II supplementary agreement in April 2005. Under these agreements, the two levels of government each contributed approximately $36.93 million for a total of $73.86 million to renovate or create approximately 2,400 affordable housing units. The Province has finalized all Phase I and II commitments.

In June 2009, the Province signed an agreement with the Government of Canada to extend the Affordable Housing Agreement through to 2010/11. Total federal and provincial commitments under this agreement amount to approximately $27.06 million for the creation of 225 new affordable housing units. In 2010/11, the Province committed or allocated all available AHI extension funding, and a number of projects remain under construction.

In July 2011, Manitoba signed the Investment in Affordable Housing (IAH) agreement with the Government of Canada for the years 2011-2014. This is a new agreement and not an extension or amendment of previous AHI or other agreements. Under this agreement, the two levels of government will each contribute $10.35 million in annual federal funding for a total of $62.1 million over three years to improve the living conditions of households in need by improving access to affordable housing that is sound, suitable and sustainable.

IAH funding is designated for new housing supply and repair/renovation programs. As part of this, the Department's existing suite of repair and renovation programs is under review with amended programming expected to be in place in 2012/13. New supply initiatives are being delivered through the Request for Proposals for Seniors Housing and Expression of Interest for New Affordable Rental and Cooperative Family Housing.

One full year of the delivery of federal funding under the IAH agreement has been completed with project commitments totaling $10.35 million.

In 2011/12, the Department continued to fund a range of programs to address declining housing stock, homelessness and the revitalization of Winnipeg's older neighbourhoods. From September 30, 2002 to March 31, 2012, over $174 million in combined federal and provincial funding has been committed to projects in the City of Winnipeg, including $90,962,116 in the Neighbourhoods Alive! designated revitalization areas. From November 2000 to March 31, 2012, Manitoba has provided over $9.71 million

in Neighbourhood Housing Assistance funding (see Table on Page 43).

Funding Commitments by Neighbourhood/Community (September 30, 2002 to March 31, 2012)	
Neighbourhood/ Community	Affordable Housing Initiative/ HOME*Works!*
Winnipeg	$174,756,637
Brandon	$21,275,247
Thompson	$20,098,761
Dauphin	$3,453,202
Selkirk	$1,864,353
The Pas	$16,735,671
Flin Flon	$855,200
Portage la Prairie	$900,000
Other Non-Urban Areas	$85,151,268
TOTAL	$325,090,339

During 2011/12, the total budget allocation for Repair and Renovation programming was $7.2 million with $6.9 million of that total fully committed. This included commitments under the programs of Homeowner, Disabled, and Rental Residential Rehabilitation Assistance Program (RRAP); Emergency Repair Program (ERP); Home Adaptations for Seniors Independence (HASI); and Shelter Enhancement Program (SEP). A total of 344 loans providing assistance to 464 households were committed for the 2011/12 delivery year. These programs are cost-shared by the federal government but delivered by Manitoba Housing.

Renovation Program Funding Commitments April 1, 2011 to March 31, 2012	
	Total Funding
Homeowner RRAP	$3,693,883
Disabled RRAP	$935,676
Rental RRAP	$1,651,000
Emergency Repair Program	$121,187
Home Adaptations for Seniors' Independence	$57,851
Shelter Enhancement Program	$456,568
Total	$6,916,165

NORTHERN HOUSING OPERATIONS

Objectives

- To better coordinate the management of existing social housing, and to increase the quantity of new, affordable housing in northern Manitoba.
- To consolidate reporting responsibility for all northern housing activity for Manitoba Housing into a single, northern management structure.
- To enhance the role of community-based organizations in the management of housing and in the delivery of other Manitoba Housing programs.

- Through Neighbourhoods Alive!, support and encourage community-driven revitalization efforts in designated northern neighbourhoods, including housing and physical improvements, employment and training, education and recreation, and safety and crime prevention.

- To deliver the programs, services and supports of Housing and Community Development to Manitoba's northern communities in a manner that respects the cultural, geographic and economic diversity of the region.

Responsibilities

- Provides strategic direction and management oversight for the entire Rural & Native Housing program, the northern direct-managed portfolio and all Housing Delivery programming in northern Manitoba, including the Residential Rehabilitation Assistance Program and the Emergency Repair Program.

- Oversees the northern delivery of other Housing and Community Development programs, such as Neighbourhoods Alive! initiatives.

Activities/Highlights in 2011/12

Northern Housing Operations has committed $12.3 million towards the renovation and rehabilitation of the northern housing portfolio in Manitoba. Up to 538 rental housing units in approximately 28 northern communities will benefit. More than $5.0 million in renovations on 125 homes has been completed to date. Additionally, in 2011/12, Northern Housing Operations negotiated Capital Funding Agreements with the Wabowden Housing Board Inc. in Wabowden, and Sagemace Housing Inc. in Camperville, which provide these organizations with funding to undertake renovations on our behalf. These Capital Funding Agreements provide approximately $2.4 million for the renovation of the housing units in those two communities. Planning and delivery are underway in these two communities.

Northern Housing Operations continues to work with northern organizations and residents, and other levels of government to develop new, affordable housing. Seven new housing units were built in Camperville and four new affordable housing units were built in the community of Cross Lake which provided needed housing in both communities. Northern Housing Operations is also working with the Keewatin Housing Association Inc. (KHAI) that is building 28 new affordable housing units in Thompson on behalf of Manitoba Housing. The properties will be sponsor-managed by the KHAI.

The University College of the North is unique within Manitoba and the dual campuses in The Pas and Thompson have been designed to meet the education and training needs of Aboriginal and northern students. Funding of $7.6 million and $8.8 million was allocated, respectively, for the development of 24 family and student housing units for each of The Pas and Thompson campuses. All ground floor units in both projects will be visitable and will feature a no-step entrance, wider doorways and hallways and an accessible bathroom. Two ground floor units will be fully accessible. All homes will meet or exceed Manitoba Hydro's Power Smart design standards and it is intended that two of the buildings will be constructed to the Canada Green Building Design Council's Leadership in Energy and Environmental Design silver designation. The Pas project is complete and operational, and the Thompson project is expected to be completed in the fall of 2012.

Northern Housing Operations continues to implement a Rent Cap policy for our northern housing stock. The policy places a maximum rent on units to ensure that rental rates do not exceed fair market rents. The use of this policy in northern Manitoba ensures that those tenants with higher incomes and few opportunities for private market accommodations are paying no more than a fair market rent.

Homeownership is a dream of many, and an ideal way to build personal equity while committing to a community. In partnership with the Land Development Branch, Northern Housing Operations is delivering

the Rural Homeownership program. In northern remote communities, current tenants of low to moderate income are being provided the opportunity to purchase their home. Tenants must be able to qualify for a mortgage, and the sale price will be reflective of a fair value. Manitoba Housing will provide financial and other assistance to ensure clients are successful.

LAND DEVELOPMENT

Objectives

- To provide a land management framework to guide the actions of the Corporation's land holdings and major land development projects in the province.

Responsibilities

- Responsible for the acquisition, use and disposition of land for housing development, and ensuring that all land development projects are consistent with the housing development priorities of the Province.

- Responsible for the delivery of the chronic vacancy stream of the new Rural Homeownership Program. This program will provide opportunities and assistance for low- to moderate-income families to purchase single and semi-detached homes in designated target areas.

- The Land Development portfolio includes the Corporation's current land holdings and all major land development projects, including the development of the Bridgwater Neighbourhood, a 1,330 acre land parcel in south west Winnipeg.

Activities/Highlights in 2011/12

Manitoba Housing is currently developing 700 acres of land in southwest Winnipeg in the Bridgwater Forest and Bridgwater Lakes neighbourhoods. Bridgwater Forest and Lakes is part of a 15-year project that is a key component of the Province's housing strategy. Increased green space, higher density and visitable housing are among the features of Manitoba's vision for the Bridgwater Neighbourhood.

Bridgwater Forest is Winnipeg's new community development project in Winnipeg. It is a popular neighbourhhood because of its unique and innovative features, including preserved natural open space and mature forest. Several kilometers of sidewalks, pedestrian paths and children's play areas are already in place. Architectural guidelines ensure there will be a variety of house designs throughout the neighbourhood and recessed garages will prevent garage-dominated streets to create a more neighbourhood-friendly streetscape. Bridgwater Forest is being developed in six phases and will consist of approximately 1,100 single-family homes and 500 multi-family dwellings upon completion.

Manitoba Housing is also proceeding with the development of its second residential neighbourhood, Bridgwater Lakes, and a Town Centre called Bridgwater Centre. Bridgwater Lakes will contain about 1,150 single-family homes, with approximately 50 per cent of the lots being engineered to allow for visitable housing. The neighbourhood will build on the architectural guidelines established for Bridgwater Forest to ensure a variety of housing types and a return to traditional architectural sensibilities. Bridgwater Centre is a new and exciting development that will include a mix of residential, commercial and other business uses in a dense urban environment. As with Bridgwater Forest, both Bridgwater Lakes and Bridgwater Centre will promote walkability by creating connecting pathways and greenspace.

The Manitoba Government's proceeds from land sales in suburban developments will be reinvested towards revitalizing areas of need under the Housing Development and Rehabilitation Fund. To date, $11.3 million in proceeds from Bridgwater Forest and Royalwood have been reinvested in housing projects to revitalize Winnipeg neighbourhoods in need.

CORPORATE SERVICES DIVISION

Divisional Goal

- To provide leadership, coordination and support to the organization in the areas of: financial management, financial reporting, information technology, legal services and risk management.

Divisional Responsibilities

- Provides expert advice and centralized services in the areas of: financial management, fiscal planning, financial analysis and financial reporting; comptrollership planning and review; information technology planning and support; financial and administrative standards and policies; corporate legal; and enterprise risk management. This is accomplished through the Division's three service lines:

  - Financial Services
  - Corporate Management Services
  - Risk Management Services

FINANCIAL SERVICES

Objectives

- To provide comprehensive central support services to The Manitoba Housing and Renewal Corporation (MHRC) operations and departmental branches including direction and support in financial planning, financial evaluations and protection of corporate assets, reporting control policies, processes and procedures.

- To ensure the corporate comptrollership function is appropriately maintained to meet the needs of MHRC for financial control, accountability, reporting and the safeguarding and protection of financial and physical assets.

Responsibilities

- Plans, organizes and evaluates corporate accounting and financial management activities including financial reporting, expenditures and revenue processing and appropriation control, cost-shared reporting and claiming.

- Establishes and provides direction on corporate financial management and financial reporting policies, procedures and practices.

- Advises the organization of emerging financial and program management issues.

- Coordinates and supports the development of the corporate estimates for the Department including MHRC.

- Coordinates the preparation of internal and external financial reporting including the annual internal/external interim and year-end financial reports required by the Department and MHRC.

- Administers the loan and mortgage portfolio.

- Supports management through the provision of analytical, consultative and evaluative advice on new departmental and corporate programs, financial proposals and ongoing operations.

30-2 The Manitoba Housing and Renewal Corporation

Expenditures by Sub-Appropriation	Actual 2011/12 $000	FTE	Estimate 2011/12 $000	Variance Over/(Under)	Expl. No.
Transfer Payments to MHRC	63,585		63,281	304	1
Portable Housing Benefit and Emergency Shelter Assistance	2,868		3,172	(304)	2
Total MHRC	**66,453**		**66,453**	-	

1. The actual results in support of these operations are found in the MHRC Statement of Operations of the MHRC Financial Statements (see Appendix 6).
2. The under expenditure of ($304) is primarily due to the gradual implementation of the Portable Housing Benefit to other areas of Manitoba outside of Winnipeg, Brandon and Thompson. Implementation has been hindered by a shortage of suitable housing in Manitoba for eligible program recipients.

Mobile Home Loan Guarantee Program

The Mobile Home Loan Guarantee Program guaranteed loans made by approved lenders for the purchase of mobile homes. These guarantees allowed the lender to provide the loan at a lower interest rate and for a longer term, resulting in lower monthly payments by the borrower. This program terminated March 31, 1997. The following table provides program information for the past three years including outstanding guarantees as at March 31, 2012.

Fiscal Year	*Outstanding Guarantees Total Units*	*Amount $000*
2009/10	5	92
2010/11	5	78
2011/12	3	22

Activities/Highlights in 2011/12

Coordinated all fiscal planning and financial reports required by the Department and MHRC.

On April 1, 2011, MHRC adopted the Canadian accounting standards for government not-for-profit organizations. The financial statements for the year ended March 31, 2012 are the first prepared in accordance with these standards.

Prepared the financial statements for MHRC and The Cooperative Promotion Board and financial information for The Co-operative Loans and Loans Guarantee Board. The statements and schedules were audited by the Office of the Auditor General and the organization received an unqualified audit opinion for each of the entities.

CORPORATE MANAGEMENT SERVICES

Objectives

- To provide information technology leadership, management and support to ensure effective delivery of the organization's programs and activities including business application supports.
- To promote and support the planning, implementation and project management of all information technology within the organization.
- To facilitate employee training and development opportunities for staff.
- To provide legal requirements and support services for the organization, including the drafting of legislation, regulations and other legal documents.
- To provide leadership and coordination of information management activities including applications received under *The Freedom of Information and Protection of Privacy Act*.

Responsibilities

- Provides information technology planning, information systems analysis, project management services, implementation, ongoing support and technical expertise in the design, development and maintenance of computer systems in support of the organization's programs and services.
- Identifies more effective, efficient and appropriate approaches for the organization and the key components of the organizational system by providing action plans and recommendations for achieving enhanced results.
- Provides and assists employee training and development opportunities to enable staff to exercise and develop knowledge and skills.
- Manages all legal support services for the organization. This includes administering the legal component related to land holdings and land sub-division process, the development and coordination of all legal agreements and contracts within the organization and liaison with Civil Legal Services.
- Coordinates the organization's responses related to requests for access to information under *The Freedom of Information and Protection of Privacy Act* and *The Personal Health Information Act*.
- Reviews existing legislation and regulations and makes recommendations on amendments.
- Reviews privacy issues related to the organization and provides direction on policy to ensure the protection of privacy.

Activities/Highlights in 2011/12

In 2011/12, Corporate Management Services coordinated and managed the space requirements for the organization and collaborated with Manitoba Infrastructure and Transportation and departmental representatives to define functional location space requirements for the new Winnipeg Head Office. A communication plan was developed to keep employees informed of the evolution of the space project and to encourage their contribution. Planned completion of this project is expected in 2013.

Corporate Management Services successfully completed the SharePoint 2010 migration and consolidation. The Branch reviewed, revised and consolidated all Housing and Community Development SharePoint sites into more structured, secure and manageable site collections and coordinated with

Business Transformation and Technology to complete the migration of all SharePoint sites to the new SharePoint 2010 version.

The Branch successfully implemented enhancements to the corporate business systems.

The unit continued to expand the selection of in-house training sessions with the development and delivery of a Customer Service training program, as well as workshops and information sessions featuring various software applications.

Legal Services Unit responded to all requests made under *The Freedom of Information and Protection of Privacy Act (FIPPA).* Further details are included in the Government 2011 FIPPA Annual Report.

RISK MANAGEMENT SERVICES

Objectives

- To support, coordinate and provide advice in respect of an active enterprise risk management process in the organization.
- To work with individual business areas to promote and incorporate an active enterprise risk management culture within the organization.
- To manage business continuity planning and coordinate an organization-wide response to all hazards.

Responsibilities

- Develops and provides continuous improvements of the organization's Risk Framework. This includes risk consultation, identification/mitigation, monitoring and reporting to the MHRC Board, senior management of the Department and individual business areas of the organization.
- Manages business continuity planning by establishing a cyclical process of reviewing, updating, storing, awareness and testing of the organization's business interruption plans.
- Coordinates the organization's business continuity events which include briefing senior officials, supporting field staff and liaising with internal and external organizations.

Activities/Highlights in 2011/12

In 2011/12, the unit began the process of risk identification and awareness as part of implementation of the organization's risk management framework.

During the Flood of 2011, the unit's Business Continuity Coordinator provided flood updates on displaced tenants and damage to the Corporation's assets to their senior management, liaised with colleagues from the Emergency Measures Organization, the City of Winnipeg and other provincial departments to share flood fight information and potential resources and coordinated sand bagging efforts for both the Corporation's properties and the Government's request for staff volunteers.

At the same time as the Flood was occurring, the organization faced mail disruptions caused by striking Canada Post employees. The Business Continuity Coordinator communicated mail protocols established by Manitoba Infrastructure and Transportation (MIT) to the organization. The Coordinator liaised with MIT and Communications Manitoba to identify mail distribution centers in Manitoba Housing offices.

COMMUNITY DEVELOPMENT AND STRATEGIC INITIATIVES DIVISION

Divisional Goals

- To coordinate and deliver programming that assists communities in providing sustainable recreational, social and community and cooperative development opportunities and that support neighbourhood revitalization efforts.
- To provide quality support for informed corporate and cooperative government-wide decision-making related to housing and community development.
- To develop innovative public policy and programs, reliable and progressive research, evaluation and information management.
- To provide internal communications to staff and assist in providing support and direction for external communication to key stakeholders including tenants and community groups.

Divisional Responsibilities

- Contributes to the general well-being of Manitoban communities by assisting non-profit organizations to undertake facility projects that provide long-term recreational and social benefits for the general community.
- Provides guidance and financial support to the voluntary sector in their activities.
- Coordinates and/or delivers programming under the Neighbourhoods Alive! initiative, a long-term, comprehensive, community-based approach to provide residents and other stakeholders with the tools they need to rebuild vulnerable urban neighbourhoods in Manitoba.
- Provides leadership within Government in developing, implementing and evaluating policies and programs to promote the growth of the cooperative sector in order to meet local economic development and service needs.
- Provides leadership in developing strategic policy direction for the Department, plans and programs, increasing awareness of housing issues and research, and enhance community capacity through collaboration with stakeholders.
- Provides internal and external communications on Departmental goals and activities. Coordinates events and the production of material in support of departmental activities.
- These responsibilities are accomplished through the Division's three Branches:
    - Community and Cooperative Development
    - Strategic Initiatives
    - Community Relations

COMMUNITY AND COOPERATIVE DEVELOPMENT

The Community and Cooperative Development Branch coordinates and delivers programming that assists communities in providing sustainable recreational, social and cooperative development opportunities. This includes promoting and supporting cooperatives that assist communities to independently meet some of their social, economic and cultural needs through democratically controlled enterprises.

The Branch also acts as a centralized source of departmental information, funding assistance for local initiatives, and as a referral mechanism that provides strategic support for both the non-profit and voluntary sectors. These objectives are accomplished through the Branch's main programs:

- Community Assistance
- Community Places Program
- Neighbourhoods Alive!
- Cooperative Development Services

Additionally, the Community and Cooperative Development Branch supports the Department's overall program and policy development on issues relating to community and cooperative development.

Community Assistance

Objectives

- To provide guidance and continued support to the voluntary sector in their activities.

Responsibilities

- To assist non-profit community groups to enhance their communities by providing grant funding assistance for local initiatives.

- To provide financial support and strategic direction to non-profit, voluntary sector organizations such as:

    - United Ways in Manitoba
    - Volunteer Manitoba
    - Manitoba Community Services Council
    - All Charities Campaign

Activities/Highlights in 2011/12

In 2011/12, Community Assistance provided over $5.4 million in funding assistance to support the activities of the voluntary sector of Manitoba through grants provided to the following organizations:

- The United Ways in Manitoba received over $3.2 million in funding assistance in support of their administrative and fundraising costs.
- Volunteer Manitoba received $60,900 in support for core funding and for the Premier's Volunteer Service Awards.
- All Charities Campaign received $137,000 in funding assistance in support of operating costs.

Manitoba Community Services Council received $2,004,000 in funding to provide grant support to non-profit, volunteer community service, social service, recreation, and health-related organizations in Manitoba.

Community Places Program

Objectives

- To contribute to the general well-being of Manitoba communities by helping non-profit organizations to undertake facility projects that provide long-term recreational and social benefits for their communities.

Responsibilities

- To provide capital grants and technical consultation services to assist organizations throughout Manitoba with projects involving the construction, upgrading, expansion or acquisition of sustainable facilities.
  - Community groups can apply to the program for a grant which will assist with construction costs including material, labour and equipment for up to 50 per cent of the first $15,000 and up to one-third over that amount, to a maximum of $50,000.
  - Projects that received funding in 2011/12 included recreational facilities, parks, libraries, cultural facilities, community resource centres and facilities for people with disabilities.

30-3A Community Assistance

Expenditures by Sub-Appropriation	Actual 2011/12 $000	FTE	Estimate 2011/12 $000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	412	5.00	325	87	1
Total Other Expenditures	91		103	(12)	
Total Grant Assistance	5,441		5,472	(31)	
Total Community Places Capital Grants *	5,302		4,665	637	2
Less: Recoverable from Urban and Rural Economic Development Initiatives	(500)		(500)	-	

* The 2011/12 Estimate reflects amounts as displayed in the printed Main Estimates on behalf of the Department of Housing and Community Development as well as allocations from the Enabling Appropriations for increased program funding to support the First Sports Program - $750.

1. The variance is due to additional staffing required to administer the First Sports Program grant assistance.

2. The variance is primarily due to grants processed for the First Sports Program, a one-year grant program for 2011/12.

Activities/Highlights in 2011/12

In 2011/12, 328 applications were approved for grant assistance totaling $4.5 million. The value of local investment contributing to the approved projects was $39.2 million. Application assessment mechanisms gave priority to projects located in neighbourhoods with higher than provincial average unemployment and lower than provincial average per capita income levels. Technical consultation services were provided to assist community groups in the planning and development of facility projects. Consultations included: design advice, project and operating cost projections, information on regulatory requirements, provision of schematic sketches and assistance with the tendering and building trade contract process.

In 2011/12, Community Places, along with Healthy Living, Seniors and Consumer Affairs Regional Service partners, provided face-to-face and on-site consultations to over 450 clients by delivering over 700 on-site visits and providing project planning advice to improve the quality, economy and sustainability of clients' projects. The program's on-site facility consultation service contributed benefits estimated at $60 million annually by helping community planners find project efficiencies and cost reductions.

In addition to Community Places on-site work, the program organized and facilitated 20 workshops where over 300 volunteers and staff from non-profit organizations learned to improve their project planning and grant applications.

Community Places provided front-line services in implementing Manitoba's Green Building Policy (MGBP) and sustainable development goals by advising and guiding all community organizations through the Green Building process. Projects not subject to the MGBP were provided with information on best practices in green building and design.

The First Sports Program is a one-time $1 million initiative to invest in community sports programs through Community Places. Eligible First Sports projects are those which provide sustainable recreation and wellness benefits to communities. In 2011/12, 456 applications were received and a total of 141 applications were approved for funding totaling $1,004,911.00 in grants. At the end of the 2011/12 fiscal year, the program was closed.

Neighbourhoods Alive!

Objectives

- An interdepartmental initiative to support the community-driven neighbourhood revitalization efforts of 13 designated vulnerable neighbourhoods in Winnipeg (West Broadway, Spence, William Whyte, Lord Selkirk Park, Point Douglas, St. John's, Dufferin, Centennial, West Alexander, North Portage, Elmwood/Chalmers, Daniel McIntyre and St. Matthews), seven designated urban centres in the province (Brandon, Thompson, Dauphin, Flin Flon, Portage la Prairie, Selkirk and The Pas), and five small localities in Winnipeg (Weston, Elwick, Alpine-Lavalee, South Pembina, and Osborne-Mayfair).

- To strengthen community economic development and community development through the delivery of nine Neighbourhoods Alive! (NA!) programs.

Responsibilities

- NA! provides individuals and groups in the designated neighbourhoods with the tools they require to strengthen opportunities in their communities. NA! staff are responsible for the overall coordination of the initiative, including direct implementation of the following NA! programs.

    - *Neighbourhood Renewal Fund*: supported a broad range of community sponsored initiatives in the designated neighbourhoods, including projects that assisted neighbourhood capacity building, stability, economic development and well-being.
    - *Community Initiatives*: supported projects that had a broad impact on Winnipeg's inner city or targeted specific groups across the inner city.
    - *Neighbourhood Development Assistance*: provided long-term core operating support for Neighbourhood Renewal Corporations that coordinate and implement community economic development within NA! designated neighbourhoods.
    - *Community Youth Recreation*: Supported increased access to, or options for, youth recreation programming in seven designated communities outside Winnipeg.

- In 2011/12, the Department launched the Localized Improvement Fund for Tomorrow (LIFT) program to support local community development projects in five localities in Winnipeg. This four-year

initiative, supports community groups to plan and implement initiatives that address identified concerns, strengthen existing partnerships, and build community capacity.

- Under NA!, the Department also supported the *Training Initiatives* program. These projects were developed and delivered by other departments, in partnership with community organizations and educational institutions.

- Four other NA! programs: *Neighbourhood Housing Assistance*, *Urban Arts Centres, Lighthouses, and School Resource Officers* were funded and delivered by the Department's Housing Delivery Branch; Culture, Heritage and Tourism; Justice; and Local Government respectively.

Neighbourhood Housing Assistance Program Funding
Winnipeg and Rural
November 2000 to March 31, 2012

Neighbourhood/Community	NHA (1)
WINNIPEG	
Lord Selkirk Park	$294,700
Point Douglas	$1,065,331
Spence	$2,316,460
West Broadway	$1,723,645
William Whyte	$2,038,103
Centennial	$416,724
Daniel McIntyre	$565,919
Dufferin	$184,700
St. John's	$428,270
St. Matthews	$562,797
West Alexander	$115,000
TOTAL WINNIPEG	$9,711,648
Neighbourhood/Community	**NHA Cumulative Commitments since 2000**
RURAL	
Brandon	$3,080,507
Thompson	$657,186
Dauphin	$0
Selkirk	$90,000
The Pas	$90,000
Flin Flon	$90,000
Portage La Prairie	$130,000
TOTAL RURAL	$4,137,693
TOTAL	$13,849,341
1. The program funding totals do not include program administration fees.	

30-3B Neighbourhoods Alive!

Expenditures by Sub-Appropriation	Actual 2011/12 $000	FTE	Estimate 2011/12 $000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	626	8.00	742	(116)	1
Total Other Expenditures	60		100	(40)	1
Total Neighbourhood Support	6,078		6,120	(42)	
Less: Recoverable from Urban and Rural Economic Development Initiatives	(2,442)		(2,442)	-	

1. The variance is primarily due to delays in hiring positions for the Localized Improvement Fund for Tomorrow (LIFT).

Activities/Highlights in 2011/12

The Department's commitment through the NA! program is to support and encourage community-driven revitalization efforts. Local residents and other community stakeholders plan and implement community-based projects that respond to locally identified revitalization priorities. In 2011/12, the Department's NA! programs committed over $12.8M* to 193 projects.

In 2011/12, NA! expanded program supports through the LIFT program. In its first year, this four-year program committed $486,303 to 42 community projects. These projects will provide enhanced recreation programming for youth, early childhood programming, community connecting and engagement activities, enhanced garden and park spaces, and training opportunities. In each locality, a resident advisory committee has been established to provide feedback to NA! on projects, provide guidance on priorities, and assist with development of partnerships affecting the initiative.

Cooperative Development

Objectives

- To provide information, advisory services and assistance regarding the formation and operation of cooperatives in the province.
- To develop, implement and evaluate policies and programs that promote the sustainability of the cooperative model.
- To encourage the formation of new cooperatives and maintain existing cooperatives.

Responsibilities

- To provide information and advice on the incorporation of new cooperatives.
- To provide counseling services to assist emerging cooperatives in their development and assist in developing linkages to other community economic development organizations.

*The 2011/12 commitment level of NA! increased in comparison to prior years due to the provision of 24 multi-year agreements with non-profit organizations for 48 projects.

- To provide assistance for compliance related to regulatory requirements.
- To provide technical assistance, training, financing and advice in accessing other related programs and initiatives.
- To provide support for The Co-operative Loans and Loans Guarantee Board, and The Cooperative Promotion Board.
- To provide strategic direction and support for the continued implementation of the Manitoba Cooperative Community Strategy.

30-3C Cooperative Development Services

Expenditures by Sub-Appropriation	Actual 2011/12 $000	FTE	Estimate 2011/12 $000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	254	3.00	247	7	
Total Other Expenditures	335		335	-	
Less: Recoverable from Rural Economic Development Initiatives	(180)		(180)	-	

Activities/Highlights in 2011/12

During 2011/2012, there were nine new incorporations of cooperatives.

Cooperative Development Services provides administrative support to The Cooperative Promotion Board and The Co-operative Loans and Loans Guarantee Board. These Boards operate under separate Boards of Directors.

The Cooperative Promotion Board provides grants for studies, research and education related to cooperative organizations; develops and promotes cooperative organizations; and promotes the general welfare of rural Manitobans. Complete information about The Cooperative Promotion Board can be obtained in the 2011/2012 Annual Report of The Cooperative Promotion Board that is produced separately from the Housing and Community Development Annual Report.

The Co-operative Loans and Loans Guarantee Board provides loans and loan guarantees to cooperatives to ensure access to financial services necessary for their development. Complete information about the members, mandate, activities and financial responsibilities of The Co-operative Loans and Loans Guarantee Board can be found in Appendix 5.

The Cooperative Assistance Fund provided new and existing cooperatives with up to $2,000 to assist with environmentally sustainable initiatives, infrastructure and capital costs. In 2011/12, 18 cooperatives were approved for grants.

Through a Memorandum of Understanding with the Manitoba Cooperative Association (MCA) and the Conseil de développement économique des municipalités bilingues du Manitoba (CDEM), the Province of Manitoba has formalized a partnership towards the creation and launching of the Manitoba Cooperative Community Strategy. Since 2009, under the leadership of a Steering Committee, three Working Groups

have been focusing on developing and implementing action plans and securing commitments from other groups and organizations. The action plans focus on the three objectives of the strategy:

1) creating a supportive environment;
2) promoting the values and principles of the cooperative community; and
3) improving the infrastructure support and services offered to cooperatives.

In 2011/12, funding and support was provided for the Cooperative Community Strategy to undertake the following events, initiatives and projects:

- In January 2012, the Province launched the International Year of Cooperatives (IYC) with a celebration at the Legislature where Manitoba participated in simultaneous proclamations in 14 cities across Canada through a live webcast. After the proclamation, attendees toured the booths set up at the foot of the grand staircase where a diverse range of cooperatives displayed information and products.

- To continue with the celebration of IYC, a compilation of videos created by cooperatives from around the world was developed for showing throughout Manitoba at cooperative sponsored IYC celebratory events.

- Funding for the Project Manager of the Cooperative Community Strategy continued to be supported. This position coordinated the activities of the Strategy Steering Committee and the three Strategy Working Groups.

- *All For Each/Tous pour un,* a curriculum for use by high-school teachers to teach students about cooperatives, was promoted at learning days for teachers as well as distributed to Manitoba schools. This educational material is available in both English and French.

- Youth Cooperative Services, coordinated by CDEM, has been developed for students ages 12-17. Through the assistance of a facilitator, students form worker cooperatives and perform jobs in their local communities such as cleaning, landscaping, car-washes and minor repairs. The youth learn cooperative social and business skills while gaining summer employment.

- The Co-op Housing Community Mobilizer Pilot Project located at Supporting Employment & Economic Development (SEED) Winnipeg received support to generate interest in the development of new housing cooperatives through research activity, policy analysis, and hands-on work with community proponents.

- Funding was provided to support the creation of a one-year full-time faculty position at the University of Winnipeg in order to build momentum towards the creation of a Chair in Cooperative Management at the Faculty of Business and Economics.

- A Cooperative Research Fund was established to offer grants aimed at stimulating, broadening and sustaining the development of a socially and economically successful Manitoba cooperative community. In 2011/12 two grants were awarded to Elton Energy Cooperative and the Canadian Community Economic Development Network (CCEDNet).

STRATEGIC INITIATIVES

Objectives

- To design innovative housing and community development policies and programs that are responsive to the needs of Manitobans.

- To provide leadership, coordination and support in developing housing and community development strategic plans and policies that are consistent with the Department's long-term objectives.
- To develop education and awareness of housing and community development trends, policies and practices.
- To enhance community capacity by collaborating with internal and external housing and community development stakeholders.

Responsibilities

- Develops strategic policy frameworks, programs and initiatives to support housing and community development programs and services for Manitobans.
- Undertakes the Department's strategic planning activities and provides ongoing corporate support to executive management.
- Conducts research, market analysis, forecasting and statistical support services to support and inform strategic and operational decisions of the Department.
- Undertakes performance reporting, business strategy development, governance and accountability processes.
- Monitors and evaluates programs and makes recommendations to better meet the objectives of the Department.
- Provides input and ongoing support to implement new programs and program policy to ensure programs are consistent with the Department's strategic framework.
- Participates in federal/provincial/territorial working groups responsible for the development of strategic initiatives, including affordable housing in urban centres and rural and remote non-market communities, and supportive housing.
- Coordinates the preparation of statistical data for federal reporting requirements between Canada and Manitoba.
- Participates in intergovernmental, interdepartmental and intersectoral discussions related to housing and community development issues.
- In accordance with *The Elderly and Infirm Persons' Housing Act*, administers renewal licenses for all elderly housing projects to ensure projects continue to meet the eligibility criteria for licensing under the Act.

Activities/Highlights in 2011/12

Strategic Initiatives led the development of the new Housing and Community Development strategic policy framework: *Strong Communities: An Action Plan*. Staff undertook community consultations in Winnipeg, Neepawa and Thompson prior to the development of the Plan which guides the daily activities of the Department and sets funding priorities and initiatives going forward. The Action Plan was launched in July 2011. Staff met with stakeholders again in early 2012 to formally present the Action Plan and as a further opportunity to advance mutual goals and objectives.

As highlighted in *Strong Communities: An Action Plan*, New Canadians are one of the segments of the population that requires additional investment in housing solutions. In 2011/12, Strategic Initiatives began

to develop new policies that will improve access to Manitoba Housing units for newcomers who are working towards independence through employment or employment training, many of who are new Canadians, as well as policies that will improve the tenanting of newcomers who live in temporary housing situations. Staff are also participating in an interdepartmental working group to identify issues and gaps for at-risk newcomer children and youth with the aim of establishing new policy and program priorities and development.

Strategic Initiatives negotiated the July 2011 signing of the Agreement for Investment in Affordable Housing 2011 – 2014, an agreement between Manitoba and the Government of Canada to improve access to affordable, sound, suitable and sustainable housing for households in need throughout the province. The agreement, which will see Canada and Manitoba share the costs of providing $31.05 million over three years to reduce the number of Manitobans in housing need, gives Manitoba primary responsibility and more flexibility for the design and delivery of affordable housing programs to address local needs and priorities.

The Branch supported the Minister's Roundtable on Seniors' Housing that is providing a forum to examine the needs, gaps and priorities related to seniors' housing across the province. The Roundtable will inform the development of a Seniors' Housing Strategy that will guide housing and housing service activities to meet the needs of low-income senior households.

Strategic Initiatives also provided support to the Rental Housing Supply Roundtable, that provided expertise and advice to the Minister of Housing and Community Development on strategic directions, plans, policies, programs and services related to the production of rental housing in Manitoba. The Roundtable continues to work to address concerns and possible solutions to issues of rental housing supply.

In 2011/12, Strategic Initiatives led the development of two new homeownership programs that will increase homeownership options for low-to-moderate-income families in urban areas. The new programs will be delivered in 2012.

In conjunction with Housing Delivery, Strategic Initiatives redesigned the suite of Manitoba Renovation Programs with the aim of providing assistance to the most vulnerable households at the lower end of the income scale. The new renovation programs are set to commence in the fall of 2012.

Strategic Initiatives continued to support the Department by undertaking advanced research, monitoring and analysis of housing market data, economic indicators and economic and social policy trends and directions that support the development of strategic housing and community development policy and programs for the Department and its stakeholders.

COMMUNITY RELATIONS

Objectives

- To provide a community relations framework while developing and bolstering strong stakeholder relations and promoting the Department mandate to integrate the areas of housing and community development.
- To increase awareness about department initiatives among internal and external stakeholders and provide support and direction for external communications to key stakeholders including tenants and community groups.
- To strengthen the Department's relationships with community groups and stakeholders in support of Manitoba Housing's leadership role and the Department's community development model in program areas across the Department.

- To support post secondary students who are tenants associated with Manitoba Housing by overseeing, managing, promoting and administering the BUILDING*Foundations* Bursary Fund.

Responsibilities

- To provide strategic communications and community relations planning to enhance community relations activities and support the Department mandate and objectives.
- To develop and coordinate internal and external communications regarding department goals, activities and accomplishments.
- To coordinate events and the production of materials in support of departmental activities.
- To coordinate the Administrative Review Committee.
- To develop and support communications for the internal staff group.
- To provide departmental liaison with the Disabilities Issues Office.
- To provide departmental liaison with the Secrétariat aux affaires francophones (SAF)/Francophone Affairs Secretariat (FAS).
- To promote and coordinate the BUILDING*Foundations* Bursary Program.
- To develop and coordinate the Department Internet.
- To work in partnership to develop and coordinate the Department Intranet.

Activities/Highlights in 2011/12

Increasing the activities that build strong relationships with community stakeholders continued to be a focus of the Community Relations Branch. By developing, coordinating and implementing activities, events, materials and community outreach programs, the Branch supported the Department mission, vision and goals.

Developing strong stakeholder relationships continued, with a unique initiative that was developed in partnership with community stakeholders to launch the UN International Year of Co-operatives with a celebratory event at the Manitoba Legislature in January 2012.

Developing and coordinating outreach activities that engaged and responded to the communities in the areas where there is construction and/or development of our properties, such as the redevelopment of River Pointe Centre in North Point Douglas, was a priority in 2011/12.

The Branch worked with internal partners to coordinate a series of stakeholder meetings across the province to present an updated, long-term strategy that was guided and informed by stakeholders in 2010/11.

The Branch also developed and coordinated a series of staff information sessions and community tours throughout the province.

Community Relations increased its outreach and promotional activities and continued to build public awareness about the BUILDING*Foundations* Bursary program. For the fifth year, the Corporation awarded nine BUILDING*Foundations* Bursaries, as well as an additional bursary for a co-operative or community development student which was added to celebrate the UN International Year of Co-operatives. The success of our recipients was once again celebrated at an awards luncheon at the Manitoba Legislature.

The Branch established a cross department Intranet working group and led work towards the development of a department site.

The Branch expanded internal staff communications with the development of more robust and frequent internal communications, such as In-House Bulletins and newsletters.

COSTS RELATED TO CAPITAL ASSETS

The Department expended the annual amortization cost of all completed assets based on the useful life of each asset. Assets purchased or constructed in 2011/12 were expended at one-half the annual amortization rate. The amortization expense also included the portion of corporate information technology projects attributable to the Department.

30-4 Costs Related to Capital Assets

Expenditures by Sub-Appropriation	Actual 2011/12 $000	FTE	Estimate 2011/12 $000	Variance Over/(Under)	Expl. No.
(a) Amortization Expense	112		112	-	
(b) Interest Expense	47		58	(11)	

The in-year cost of acquiring departmental capital assets or assets under construction is provided through Part B – Capital Investment for which amortization and interest expense is reflected as a departmental operating expense. Part B – Capital Investment is highlighted in the following section.

FINANCIAL INFORMATION

FIVE-YEAR EXPENDITURE AND STAFFING SUMMARY TABLE

Department of Housing and Community Development
Five-Year Expenditure and Staffing Summary by Appropriation
($000's)
For the years ended March 31, 2008 - March 31, 2012

		Actual/Adjusted Expenditures*									
		2007/08		2008/09		2009/10		2010/11		2011/12	
Appropriation		**FTE**	**$**	**FTE**	**$**	**FTE**	**$**	**FTE**	**$**	**FTE**	**$**
30-1	Administration	15.00	533	15.00	542	18.00	597	20.00	1,187	20.00	1,562
30-2	Housing		48,484		57,456		59,019		37,397		66,453
30-3	Community Development	13.00	10,471	16.00	14,884	16.00	9,912	16.00	12,881	16.00	15,477
30-4	Costs Related to Capital Assets		192		176		170		164		159
Total Housing and Community Development		28.00	59,680	31.00	73,058	34.00	69,698	36.00	51,629	36.00	83,651

* *Adjusted figures reflect historical data on a comparable basis in those appropriations affected by a reorganization during the years under review.*

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

RECONCILIATION STATEMENT

DETAILS	2011/12 ESTIMATES $000
2011/12 Main Estimates	82,326
Transfer of functions from:	
- Immigration and Multiculturalism	145
Allocation of Funds from:	
- Enabling Appropriations *	750
2011/12 Estimates – Housing and Community Development	**83,221**

* Provides for increased program funding to support the First Sports Program.

EXPENDITURE SUMMARY TABLE

Department of Housing and Community Development
Expenditure Summary
($000's)
For the fiscal year ended March 31, 2012 with comparative figures for the previous year

Estimate 2011/12		Appropriation	Actual 2011/12	Actual [a] 2010/11	Increase/ (Decrease)	Expl. No.
		30-1 Administration				
$37		(a) Minister's Salary	$37	$37	-	
		(b) Executive Support				
640		Salaries and Employee Benefits	640	610	30	
66		Other Expenditures	78	77	1	
		(c) Support Services				
800		Salaries and Employee Benefits	749	413	336	1
68		Other Expenditures	58	50	8	1
$1,611		**Total 30-1**	**$1,562**	**$1,187**	**$ 375**	

Department of Housing and Community Development
Expenditure Summary
($000's)
For the fiscal year ended March 31, 2012 with comparative figures for the previous year

Estimate 2011/12		Appropriation	Actual 2011/12	Actual [a] 2010/11	Increase/ (Decrease)	Expl. No.
		30-2 Housing				
		(a) The Manitoba Housing and Renewal Corporation				
$63,281		Transfer Payments	$63,585	$34,797	$28,788	2
3,172		Portable Housing Benefit and Emergency Shelter Assistance	2,868	2,600	268	
$66,453		**Total 30-2**	**$66,453**	**$37,397**	**29,056**	

Department of Housing and Community Development
Expenditure Summary
($000's)
For the fiscal year ended March 31, 2012 with comparative figures for the previous year

Estimate 2011/12		Appropriation	Actual 2011/12	Actual [a] 2010/11	Increase/ (Decrease)	Expl. No.
		30-3 Community Development				
		(a) Community Assistance				
$325		Salaries and Employee Benefits	$412	$351	$ 61	3
103		Other Expenditures	91	96	(5)	
5,472		Grant Assistance	5,441	5,338	103	
4,665		Community Places Capital Grants *	5,302	3,915	1,387	4
(500)		Less: Recoverable from Urban Rural Development Initiatives	(500)	(500)	-	
		(b) Neighbourhoods Alive!				
742		Salaries and Employee Benefits	626	469	157	
100		Other Expenditures	60	106	(46)	
6,120		Neighbourhood Support	6,078	5,275	803	5
(2,442)		Less: Recoverable from Urban Rural Development Initiatives	(2,442)	(2,442)	-	
		(c) Cooperative Development				
247		Salaries and Employee Benefits	254	228	26	
335		Other Expenditures	335	202	133	6
(180)		Less: Recoverable from Rural Development Initiatives	(180)	(157)	(23)	
$14,987		**Total 30-3**	**$15,477**	**$12,881**	$2,596	

* The 2011/12 Estimate reflects amounts as displayed in the printed Main Estimates on behalf of the Department of Housing and Community Development as well as allocations from the Enabling Appropriations for increased program funding to support the First Sports Program - $750.

Department of Housing and Community Development
Expenditure Summary
($000's)
For the fiscal year ended March 31, 2012 with comparative figures for the previous year

Estimate 2011/12		Appropriation	Actual 2011/12	Actual [a)] 2010/11	Increase/ (Decrease)	Expl. No.
$170		30-4 Costs Related to Capital Assets	$159	$164	($ 5)	
$83,221		Total Housing and Community Development	$83,651	$51,629	$32,022	

1. The variance is primarily the result of full year salary and operating costs as a result of the November 2009 government reorganization that created the Department of Housing and Community Development.
2. The variance is primarily due to the valuation allowance adjustment not recorded in 2011/12 for housing operations. The actual results in support of these operations are found in the MHRC Statement of Operations of the MHRC Financial Statements.
3. The variance is primarily due to the additional salary and employee benefits required to administer the First Sports Program grants.
4. The variance is primarily due to grants processed for the First Sports Program, a one-year grant program for 2011/12.
5. The variance is primarily due to grants processed for the Localized Improvement Fund for Tomorrow (LIFT) program which was newly introduced in 2011/12 combined with an increase in grants processed under the Neighbourhood Renewal Fund (NRF).
6. The variance is primarily due to new initiatives under the Cooperative Development Assistance Program (CDAP) for the 2011/12 fiscal year.

NOTES:
a) The 2010/11 data has been reorganized to reflect the 2011/12 appropriation structure.

APPENDIX 1 SUSTAINABLE DEVELOPMENT ACTIVITIES AND ACCOMPLISHMENTS

Under Section 12(1)(c) of *The Sustainable Development Act* (the Act), provincial departments are required to integrate information about incorporating sustainable development into their activities, within the annual reporting process.

The overall goal of sustainable development is meeting the needs of the present without compromising the ability of future generations to meet their own needs. The Act sets out principles for departments to follow in integrating considerations for the environment, human health, and social well-being into their daily operations.

The following is a summary of progress made towards integrating the principles and guidelines of sustainable development into the programs and activities of the Department of Housing and Community Development.

Sustainable Living and Healthy Communities

Manitoba Housing, in partnership with Manitoba Innovation, Energy and Mines (IEM) and Manitoba Hydro, has adopted a Sustainable Development Action Plan that ensures investments in housing infrastructure proceed in an environmentally responsible manner and promote employment and training opportunities through partnerships with social enterprises.

As part of the plan, The Low-Income Energy Efficiency Program lowers energy consumption, greenhouse gas emissions, utility costs and provides life skills and employment for low-income people. In 2011/12, 226 attics and 433 basements in the province received insulation upgrades. Two thousand households are scheduled for retrofit with energy efficiency lighting, low-flow toilets, showerheads and aerators. In the previous year, 2,009 households were upgraded. These retrofits reduce tenants' costs for utilities and electricity.

Under the Manitoba Hydro Power Smart Program, projects currently on the Department's capital plan are being designed to meet strict power smart guidelines. Manitoba Housing assesses the feasibility of geothermal heating systems for all direct builds prior to deciding which heating system to employ. We encourage geothermal feasibility analyses on all new housing construction projects funded under Manitoba Housing's affordable housing programs. Geothermal heating and cooling systems have been incorporated into the new construction of various recently-completed projects that received funding support from Manitoba Housing. Examples include development of a 40-unit seniors housing complex in Virden and a 24-unit seniors housing complex in La Broquerie. Geothermal heating/cooling is additionally currently planned to form part of the development of numerous other new multi-unit projects presently under construction and/or in the design stage.

In partnership with IEM, Manitoba Hydro and Manitoba Infrastructure and Transportation and Manitoba Hydro, Manitoba Housing is developing *The Residential Green Building and Major Renovation Guidelines*. The Residential Guidelines will complement the existing Green Building Policy for Non-Residential Projects Funded by Government of Manitoba (April 2007) by extending coverage to low-rise dwellings (detached, semi-detached and row houses) and multi-unit residential buildings.

These Guidelines develop higher green building and renovation standards and outline specific practices that must be considered for projects involving support from Manitoba Housing. This includes projects undertaken directly by the Department, or its agencies, and those by external organizations that receive capital funding or a commitment to long-term operational funding.

The Community Places Program is a significant contributor to implementing Manitoba's Green Building Policy and sustainable development goals. Staff provide advice and guide community organizations throughout the province through the Green Building process. Applications received by Community Places are evaluated for their environmental sustainability, community sustainable development benefit and are favoured over projects that do not embrace these concepts.

Under the Sustainable Communities strategic priority, the Neighbourhoods Alive! (NA!) initiative promotes the revitalization of urban communities by supporting community initiatives that contribute to community and inner city renewal, build community capacity, enhance knowledge and skills, support environmental initiatives and foster sustainable economic development.

NA! directly administers four programs that support designated communities to develop community revitalization projects, many of which address issues of environment and food security: the Neighbourhood Development Assistance, Neighbourhood Renewal Fund, Community Initiatives, and the Community Youth Recreation programs.

Neighbourhood Development Assistance provides core operational funding to neighbourhood renewal corporations in each of the designated NA! communities. This allows the renewal corporations to coordinate and facilitate the development and implementation of community-led revitalization projects.

The Neighbourhood Renewal Fund supports projects that must benefit a specific neighbourhood or community and support at least one of the following: neighbourhood capacity building, stability, economic development and well-being. This also includes a Small Grants fund administered by each neighbourhood renewal corporation which provides grants of up to $5,000 for community groups to develop smaller projects such as parks, community gardens and similar environmental projects.

The Community Initiatives program supports projects that have a broad impact on Winnipeg's inner city or target specific groups across the inner city. The program funds activities that enhance economic development, increase safety and prevent crime, reduce at-risk behaviour, contribute to better health practices, strengthen tenant-landlord relations and improve coordination and cooperation.

The Community Youth Recreation programs provide enhanced youth recreation opportunities in the NA! designated communities of Brandon, Selkirk, Portage la Prairie, Dauphin, Flin Flon, The Pas and Thompson. These projects enhance community health and wellness through the expansion of recreational opportunities within the designated communities.

The Localized Improvement Fund for Tomorrow (LIFT) supports projects that address neighbourhood decline in five specified localities in Winnipeg. It aims to help these localities become safer and more attractive while offering more educational, recreational and social opportunities for families. The types of projects that LIFT can fund include green initiatives and those that support social well-being.

The Community and Cooperative Development Branch provides funds to the Manitoba Community Services Council Inc. (MCSC) that are allocated to non-profit, volunteer community service, social service, recreation, and health-related organizations in Manitoba. MCSC will consider requests for expenses such as capital costs, improvements, furniture and equipment, vehicles and playground development. MCSC requires that playground development projects include a plan for the playground to be accessible to those with mobility or other disabilities. Accessibility includes not only access to the play structure, but also having components of the play structure that can be used by persons with disabilities.

Co-operative Development Services provides support and direction to entrepreneurs who choose the cooperative model. Co-ops throughout the province have been recognized for their ability to meet both social and economic goals and contribute to a social economy. Manitoba's co-ops are sustainable, long-term businesses that focus on: creating meaningful employment, promoting social inclusion and social responsibility, increasing communities' sustainable economic capacity and developing leadership and a stronger sense of community.

A new Research Grant is available to develop knowledge and resources of a broad interest for development and expansion of cooperatives. The first successful applicants have been awarded grants for exploration of wind energy and an equity fund development. This Research Grant is expected to incorporate the sixth cooperative principle of "Cooperation Among Co-ops" and be shared within the greater Manitoba cooperative community.

The Cooperative Assistance Fund provides new and existing cooperatives with up to $2,000 to assist with environmentally sustainable initiatives, infrastructure and capital costs. In 2011/12, the fund included support for co-ops involved in wind energy, housing, community sustainability, car shares, and agriculture.

Manitoba Housing's development of the Bridgwater neighbourhood will focus on housing diversity, higher density, walkability and increased green space, including the preservation of fully mature forests running throughout the Bridgwater Forest neighbourhood. Bridgwater Forest will encompass almost 375 acres, with about 70 acres dedicated to forest and open space.

New homes in Bridgwater can be built with geothermal heating and cooling systems in order to reduce greenhouse gas emissions. Bridgwater Forest, for example, has 54 lots designated for the use of leading edge geothermal heating and cooling and the streets have been oriented to maximize passive solar energy. The Bridgwater development features a neighbourhood greenway system connected to residential sidewalks to promote walking and cycling. Bus transit is accessed by a short walk from every home. Several show homes highlight the Power Smart program. All of these features enhance the neighbourhood's environmentally-friendly design and act to lower its environmental footprint.

All Manitoba Housing and Community Development offices will be banning the purchase of bottled water, enhancing our beverage container recycling program and reducing paper usage through electronic information services. This process is a part of a provincial strategy to improve energy and water efficiency and to make department operations more sustainable.

Education for Sustainability

The Department uses the Waste Stream Services recycling program in most of its offices province-wide. The program includes use of mini-bins for desk side refuse; desk side blue bins for non-confidential paper; central bins for aluminum, plastic, and non-confidential paper; and Government Records Boxes for destruction of confidential paper.

Social Housing Management continues to encourage recycling to all tenants and the Asset Management Branch promotes recycling in major renovation projects, where possible, by contracting with organizations that recycle major appliances and other materials.

The Department participated in the annual Commuter Challenge, an initiative aimed at encouraging staff to contribute to the efforts to create a greener province by using cleaner, healthier ways to commute. Staff were encouraged to help reduce gas emissions through cycling, walking, rollerblading, taking the bus or car pooling.

Manitoba Housing now has seven employees accredited in Leadership in Energy and Environmental Design (LEED).

The Manitoba Housing and Community Development Information and Technology unit researched an energy management software program and worked with the vendor of the selected software tool name EnergyCAP. The Professional Services Unit has started using this software program to monitor utility bills and energy reporting on utilities consumed in our properties.

Integrating the Economy and the Environment

Manitoba Housing continues to partner with Building Urban Industries through Local Development (BUILD) and the Brandon Energy Efficiency Program (BEEP) to provide training and employment in water and energy efficiency upgrades to low-income community members. BUILD and BEEP have provided training to over 100 individuals and currently employ 65 to 75 on the water and energy efficiency upgrade programs in Brandon and Winnipeg. The program lowers energy consumption, greenhouse gas emissions, utility costs and provides life skills and employment for vulnerable persons.

Manitoba Housing has developed an Energy Management and Preventative Maintenance Team responsible for reducing greenhouse gas emissions, potable water consumption and waste water production in its residential buildings. These efforts will also improve the standard of living for tenants (by lowering utility bills) and the working environment for employees and contractors. The Procurement Branch is complimenting this work by including water and energy efficiency and recycled material specifications in tenders.

Asset Management continues to work with the North End Community Renewal Corporation (NECRC) to provide training and employment opportunities for low-income people on the major renovation projects in Gilbert Park and Lord Selkirk Park. NECRC finds potential employees from these neighbourhoods, provides training and then employs them in the renovation of social housing units.

As a strong proponent of sustainable development principles, the Department remains committed to developing strategies and policies to facilitate the integration of sustainable development principles and guidelines into its ongoing activities.

APPENDIX 2 PERFORMANCE INDICATORS

HOUSING AND COMMUNITY DEVELOPMENT
Performance Measurement

The following section provides information on key performance measures for the Department for the 2011/12 reporting year.

Performance Measures in the two previous Annual Reports were based on specific targets outlined in the 2009 HOME*Works!* Housing Strategy and Policy Framework and Two-Year Investment Plan (2009/10 – 2010/11). The strategy and investment plan were developed prior to the establishment of Housing and Community Development as a standalone Department in November 2009. The 2010/11 Housing and Community Development Annual Report completed the reporting of these specific targets in conjunction with the expiry of the Two-Year Investment Plan.

The 2011/12 Annual Report captures the third year of our new longer-term strategy and policy framework and will report on the same key indicators which continue to support our expanded strategy. The 2009 HOME*Works!* Housing Strategy and Policy Framework has been transitioned into the Department's new Strategy and Policy Framework 2011 and the *Strong Communities Action Plan* document released publicly in July 2011. These documents outline the goals, priority areas of investment and planned activities that guide the Department's daily operations and future plans.

Performance indicators in departmental Annual Reports are intended to complement financial results and provide Manitobans with meaningful and useful information about government activities, and their impact on the province and its citizens.

For more information on performance reporting and the Manitoba government, visit www.manitoba.ca/performance.

Your comments on performance measures are valuable to us. You can send comments or questions to mbperformance@gov.mb.ca.

Sustaining the Existing Housing Stock					
What is being measured and using what indicator?		**Why is it important to measure this?**	**Where are we starting from (baseline measurement)?**	**What is the 2011/12 result or most recent available data?**	**What is the trend over time?**
Performance measure	**Components of the measure**				
Sustaining and improving existing social and affordable housing	Number of social housing units renovated and improved within the provincial portfolio	Maintains housing stock, improved quality of units and more efficient use of portfolio	2009/10 - targets of 13,500 social housing units renovated by the end of 2010/11 Commitment met and exceeded - 17,887 total units renovated from April 1, 2009 to March 31, 2011	Total units renovated from April 1, 2011 to March 31, 2012: 8,689	Total number of households with major renovations and/or building improvements increasing.

Comments/Recent Actions/Report Links

The 2009 HOME*Works!* Two-Year Investment Plan committed to impact 13,500 households with major renovations (deep refresh programs) and/or building improvements by the end of 2010/11. Housing and Community Development surpassed the two-year target: As of March 31, 2011, 17,887 units have been impacted with major renovations. In 2011/12, a further 8,689 units were impacted with major renovations.

Housing Affordability					
What is being measured and using what indicator?		**Why is it important to measure this?**	**Where are we starting from (baseline measurement)?**	**What is the 2011/12 result or most recent available data?**	**What is the trend over time?**
Performance measure	**Components of the measure**				
Improving housing affordability through Rent Geared to Income (RGI) housing	RGI housing	Assists in affordability and increases the supply of affordable housing stock within the private market	2009/10 - 1,500 new RGI units by 2013/14	Total RGI units committed to March 31, 2012: 933	RGI units are increasing. The Province committed to adding 1,500 new affordable and social housing units to the affordable housing supply over a period of five years (March 2009 to March 2014)
	Portable Housing Benefit		193 (2009/10)	Portable Housing Benefit - served 522 recipients in 2011/12	Portable Housing Benefit expanded province- wide as of January 2010. Number of persons benefiting from PHB is increasing.

Comments/Recent Actions/Report Links

The 2009 HOME*Works!* Two-Year Investment Plan reflected the provincial commitment to support 1,500 households with RGI assistance by the end of 2013/14. During the period April 1, 2011 to March 31, 2012, a commitment was made to assist 333 households with RGI assistance. As of March 31, 2012, a total of 933 new households will benefit from RGI assistance. This represents the third year of the five year commitment to support 1500 households. RGI units within the private rental sector and in non-profit housing projects that existed prior to April 1, 2009 are not counted in this baseline.

The Portable Housing Benefit (PHB) provides a rent supplement of up to $200 per month, accompanied by housing support services (staffing component), to low-income individuals with mental health issues who require additional assistance to find safe, adequate and stable housing. Participants must have an unstable housing situation that is interfering with their progress in recovery and positive participation in community life. The PHB is portable (attached to the individual rather than to a housing unit) and originally began in Winnipeg, Brandon and Thompson and is now available to eligible participants province-wide. In 2011/12, the Portable Housing Benefit assisted 522 recipients, an increase of 170.5% from 2009/10. As of March 31, 2012, 609 households are benefitting from an investment of $2 million in portable housing benefits for people with mental health needs.

Increasing Supply of Affordable Housing					
What is being measured and using what indicator?		**Why is it important to measure this?**	**Where are we starting from (baseline measurement)?**	**What is the 2011/12 result or most recent available data?**	**What is the trend over time?**
Performance measure	**Components of the measure**				
Increasing supply of affordable housing stock	New Affordable housing units	Increased supply of housing stock	2009/10 - 1,500 new affordable units by 2013/14	Total new affordable units committed to March 31, 2012: 991	New affordable housing units are increasing. The Province committed to adding 1,500 new affordable and social housing units to the affordable housing supply over a period of five years (March 2009 to March 2014)
	New homeownership opportunities	Assists low and moderate income individuals to access affordable housing and helps to revitalize communities	2009/10 - 77 new homeownership opportunities created by March 31, 2011	55 new homeownership opportunities created in 2011/12	
Comments/Recent Actions/Report Links					
The 2009 HOME*Works!* Two-Year Investment Plan reflected the provincial commitment to building 1,500 new affordable rental units by 2013/14. During the period April 1, 2011 to March 31, 2012, a commitment was made to build 284 new affordable housing units. As of March 31, 2012, a total of 991 new affordable units have been commitment or constructed. This represents the third year of the five-year 1,500 unit commitment.					

Maintaining Supply of Housing					
What is being measured and using what indicator?		**Why is it important to measure this?**	**Where are we starting from (baseline measurement)?**	**What is the 2011/12 result or most recent available data?**	**What is the trend over time?**
Performance measure	**Components of the measure**				
Maintaining supply of existing housing stock in the private market	Renovated housing units	Improved housing stock	2009/10 - target of 800 private units renovated by the end of 2010/11 Commitment met and exceeded - 861 units renovated from April 1, 2009 to March 31, 2011	Total households assisted with renovation assistance for privately owned housing as of March 31, 2012 : 635	Number of households benefiting from renovation assistance is increasing

Comments/Recent Actions/Report Links

The 2009 HOME*Works!* Two-Year Investment Plan committed to providing renovation assistance to 800 privately owned households. The Province exceeded the two-year target with 861 private households receiving renovation assistance as of March 31, 2011. In 2011/12 a further 635 households will receive renovation assistance.

New Supportive Housing Options for Seniors					
What is being measured and using what indicator?		**Why is it important to measure this?**	**Where are we starting from (baseline measurement)?**	**What is the 2011/12 result or most recent available data?**	**What is the trend over time?**
Performance measure	**Components of the measure**				
New supportive housing options for seniors	New housing options with supports created or renovated to support seniors	Helps seniors who require 24 hours support and supervision to remain within their community. Delays or prevents premature placements in personal care homes.	2007 – 48 units of supportive housing completed within the MH portfolio as of March 31, 2011	37 units of supportive housing committed within the MH portfolio as of March 31, 2012.	The number of seniors who are able to remain in their communities due to receiving extra supports is increasing

The Aging in Place strategy was introduced in 2006. Based on the Aging in Place principle, Manitoba's Long Term Care strategy supports affordable neighbourhood-based housing with supports for seniors who need extra support to remain in their communities. Housing and Community Development's long-term strategy identifies seniors' housing with needed supports as one of the priority areas of investment.

Manitoba Housing provides supportive housing projects throughout the province in support of the Aging in Place strategy. Manitoba Housing acts as the property manager and is responsible for the capital upgrades. These projects provide an affordable housing option with services and 24-hour supports to assist seniors on limited incomes to live independently in the community.

In February 2011, the Province announced Manitoba's renewed long-term care strategy which will include more affordable supportive housing.

In addition, annually, Manitoba Housing provides rent supplements to 35 units of supportive housing in the private rental market. These are not included in this baseline measurement.

Manitoba Housing also supports the *Supports to Seniors in Group Living* model by providing office and storage space and use of common areas for activities in buildings it manages throughout the province.

Community Development					
What is being measured and using what indicator?		**Why is it important to measure this?**	**Where are we starting from (baseline measurement)?**	**What is the 2011/12 result or most recent available data?**	**What is the trend over time?**
Performance measure	**Components of the measure**				
Supporting community-led revitalization efforts in selected distressed neighbourhoods and communities in Manitoba	Number of Neighbourhoods Alive! (NA!) projects that are funded	NA! provides community-based organizations with funding to initiate local community economic development projects and leverage additional funds to support long-term revitalization	NA! was a new program introduced in 2000 2009/10 - $5M for 111 projects 2010/11 - $5.6 M for 220 projects	In 2011/12, the Department invested over $12 million* in NA! funding for 193 community projects	Greater complexity of funding requests received from NA! communities
	Proceeds from land sales in suburban developments reinvested towards revitalizing areas of need through the Housing Development and Rehabilitation Fund		$7.3 million invested as of March 31, 2011 in housing projects to revitalize Winnipeg neighbourhoods in need	$11.3 million invested as of March 31, 2012 in housing projects to revitalize Winnipeg neighbourhoods in need	

Comments/Recent Actions/Report Links

Since 2000 NA! has provided $45,4536,024 to 1,091 projects in seven program categories. The seven funding programs are Neighbourhood Renewal Fund ($24,115.6), Neighbourhood Development Assistance ($10,619.5), Training Initiatives ($6,597.6), Community Initiatives ($3,162.6), Localized Improvement Fund for Tomorrow ($401.4), School Resource Officer ($264.5), and Community Youth Recreation ($334.8).

- The 2011/12 commitment level of NA! increased in comparison to prior years due to the provision of 24 multi-year agreements with non-profit organizations for 48 projects.

Cooperative Development					
What is being measured and using what indicator?		**Why is it important to measure this?**	**Where are we starting from (baseline measurement)?**	**What is the 2011/12 result or most recent available data?**	**What is the trend over time?**
Performance measure	**Components of the measure**				
Assisting cooperative development in Manitoba	The number of cooperatives assisted in formation and development	Builds community capacity and sustainability	In 2009/10, the Cooperative Promotion Board (CPB) approved 6 grants valued at $18,725.00 In 2010/11, the CPB approved 14 grants valued at $39,000.00 32 new cooperatives were incorporated from April 1, 2009 to March 31, 2011	In 2011/12, the CPB approved 16 grants valued at $29,610.00 9 new cooperatives were incorporated in 2011/12	Increase in number of cooperatives formed

Comments/Recent Actions/Report Links

This performance indicator is being measured starting from April 1, 2009. The Cooperative Promotion Board distributes grants in support of the development, education, research and promotion of cooperatives. A Memorandum of Understanding was signed on October 15, 2009 between the Province of Manitoba, the Manitoba Co-operative Association, and the Conseil de développement économique des municipalités bilingues du Manitoba to create a common vision and strategy for developing and maintaining Manitoba's cooperative community.

In 2011/12, actions of the Cooperative Community Strategy included launching of the International Year of Cooperatives; funding of the Cooperative Community Strategy project manager; development and distribution of *All For Each, Tous pour un* curriculum for use by high-school teachers; establishment of a Co-op Housing Mobilizer Pilot Project at Supporting Employment & Economic Development (SEED); the creation of a one-year full-time faculty position at the University of Winnipeg; and a Cooperative Research Fund to offer grants aimed at stimulating, broadening and sustaining the development of a socially and economically successful Manitoba cooperative community.

Community Development					
What is being measured and using what indicator?		**Why is it important to measure this?**	**Where are we starting from (baseline measurement)?**	**What is the 2011/12 result or most recent available data?**	**What is the trend over time?**
Performance measure	**Components of the measure**				
Investing in communities through projects for recreational and social benefits and supporting community organizations	Number of Community Places (CPP) grants given and number of community groups assisted by providing face-to-face and on-site consultations	Assists in providing sustainable recreation and wellness benefits to Manitoba communities	2009/10: CPP approved $4.5 million in grants for 306 applications and assisted over 450 community groups by providing over 700 on-site consultations. In 2010/11, CPP approved $4.5 million in grants for 297 applications and assisted over 470 community groups by providing over 750 on-site consultations.	In 2011/12, $4.5 million in grants approved for 328 applications. Assisted over 470 community groups with over 700 on-site consultations.	Number of applications for grants is increasing

Comments/Recent Actions/Report Links

This performance indicator is being measured starting from April 1, 2009. Housing and Community Development continues to provide programming that assists communities to provide sustainable recreational, social and cooperative development opportunities and that supports both the non-profit and voluntary sectors.

Community Places continues to maintain funding for community projects with an average grant of $15,000 on an average project value of $153,000, and continues to provide project planning advice to improve the quality, economy and sustainability of community projects.

In 2011/12, $4.5 million in grants leveraged $60 million in total project costs.

Impact of Manitoba Housing Program Activity on Provincial Rate of Core Housing Need					
What is being measured?		**Why is it important to measure this?**	**Where are we starting from (baseline measurement)?**	**What is the 2011/12 result or most recent available data?**	**What is the trend over time?**
Performance measure	**Components of the measure**				
Households in core housing need[1]	Per cent of households in core housing need[2]	Core housing need provides an estimate of the number of households not living in and unable to access acceptable housing	**All households** 14.7% (1996) **Lone parents** 36.2% (1996)[3] **Aboriginal** 34% (1996) **Seniors** 16.3% (1996) **Persons with Disabilities** 14.5% (2001) **Immigrants**[4] 10.6% (2001)	**All households** 11.3% (2006) **Lone parents** 31.0% (2006)[5] **Aboriginal** 22.4% (2006) **Seniors** 9.6% (2006) **Persons with Disabilities** 14.5% (2006) **Immigrants** 10.9% (2006)	Over the past decade, the incidence rate of core housing need has declined in Manitoba from 14.7% in 1996, to 11.6% in 2001, to 11.3% in 2006. There were small decreases for lone parents and seniors; an increase for immigrants; and the rate remained the same for persons with disabilities. Manitoba's core housing need rate was below the national average of 12.7%.
Comments/Recent Actions/Report Links					
Between March 1, 2009 and March 31, 2012, construction was completed, underway or committed for 991 new rental or cooperative housing units through the 2009 HOME*Works!* Strategy and related 1,500 unit commitment. Other housing programs, such as the Residential Rehabilitation Assistance Program (RRAP), aim to address privately-owned low-income housing in need of repair. In 2011/12, $6,280,559 was committed under Homeowner or Rental RRAP to repair 410 owned or rented units, an increase in units of 54.14 percent since 2001/02 (266 units).					

[1] Core housing need refers to those individuals who currently reside in housing that is either in need of major repair, does not have enough bedrooms for the size and makeup of the household, or costs 30 percent or more of their total income, and who are unable to rent an alternative housing unit that meets these standards without paying 30 per cent or more of their income.

[2] Source: Canada Mortgage and Housing Corporation.

[3] Previous year's Annual Reports cited this figure as 37.9 per cent. Updated data runs noted a correction to this number.

[4] The term "immigrants" as used in this context is defined by CMHC. Provincially, immigrants may also be referred to as New Canadians, which include landed immigrants and refugees.

[5] Previous year's Annual Reports cited this figure as 28.5 per cent. Updated data runs noted a correction to this number.

APPENDIX 3 ALLABOARD: MANITOBA'S POVERTY REDUCTION AND SOCIAL INCLUSION STRATEGY - PERFORMANCE INDICATORS

ALLAboard: Manitoba's Poverty Reduction and Social Inclusion Strategy was launched in May 2009. ALL Aboard formalizes the government's commitment to poverty reduction, builds on that commitment and moves forward in a focused, strategic manner. The strategy is structured around four pillars: Safe, affordable housing in supportive communities; Education, jobs and income support; Strong, healthy families; and Accessible, coordinated services.

In February 2012, responsibility for *The Poverty Reduction Strategy Act* was transferred to the Minister of Housing and Community Development. The ALLAboard Committee, including cabinet ministers and four community members, is co-chaired by the Minister of Housing and Community Development and the Minister of Family Services and Labour.

Manitoba has developed a set of 21 indicators to monitor progress on poverty reduction efforts. These measures provide a picture of poverty across the province and will be included in ALLAboard annual reports. The following table reports on three of the indicators that fall under the responsibilities of the Department of Housing and Community Development.

ALLAboard indicators	Progress as of March 31, 2012
1. Total units of social and affordable housing supported by Manitoba Housing and Renewal Corporation	30,196*
2. New households served through Manitoba Housing and Renewal Corporation programs and services	3,876
Portable Housing Benefit	141
New Rent Supplement	305
New affordable supply	284
Infill homeownership program	55
Repair and Renovation	439
Secondary Suites	36
New households entering social housing	2,616
3. Total number of households in Core Housing Need	See Page 71 of this report

*ALLAboard does not include personal care home beds.

APPENDIX 4 THE PUBLIC INTEREST DISCLOSURE (WHISTLEBLOWER PROTECTION) ACT

The Public Interest Disclosure (Whistleblower Protection) Act came into effect in April 2007. This law gives employees a clear process for disclosing concerns about significant and serious matters (wrongdoing) in the Manitoba public service, and strengthens protection from reprisal. The Act builds on protections already in place under other statutes, as well as collective bargaining rights, policies, practices and processes in the Manitoba public service.

Wrongdoing under the Act may be: contravention of federal or provincial legislation; an act or omission that endangers public safety, public health or the environment; gross mismanagement; or, knowingly directing or counseling a person to commit a wrongdoing. The Act is not intended to deal with routine operational or administrative matters.

A disclosure made by an employee in good faith, in accordance with the Act, and with a reasonable belief that wrongdoing has been or is about to be committed is considered to be a disclosure under the Act, whether or not the subject matter constitutes wrongdoing. All disclosures receive careful and thorough review to determine if action is required under the Act, and must be reported in a department's annual report in accordance with Section 18 of the Act.

The following is a summary of disclosures received by Manitoba Housing and Community Development for fiscal year 2011/12:

Information Required Annually (per Section 18 of The Act)	**Fiscal Year 2011 – 2012**
The number of disclosures received, and the number acted on and not acted on. *Subsection 18(2)(a)*	**NIL**
The number of investigations commenced as a result of a disclosure. *Subsection 18(2)(b)*	**NIL**
In the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations or corrective actions taken in relation to the wrongdoing, or the reasons why no corrective action was taken. *Subsection 18(2)(c)*	**NIL**

APPENDIX 5

The Co-operative Loans and Loans Guarantee Board
FINANCIAL INFORMATION
FOR THE YEAR ENDING
MARCH 31, 2012

MEMBERS OF THE CO-OPERATIVE LOANS AND LOANS GUARANTEE BOARD

MARCH 31, 2012

Joy Cramer, Chairperson	- Winnipeg, Manitoba
Craig Marchinko, Secretary	- Winnipeg, Manitoba
Allyson Watts	- Winnipeg, Manitoba
Hugh O'Hare	- Winnipeg, Manitoba
David Kerr	- Winnipeg, Manitoba

MANDATE

By provision of The Co-operative Association Loans and Loans Guarantee Act, the Board was established by Order-in-Council 1237/71 dated November 18, 1971.

The Board consists of the Deputy Minister of Manitoba Housing and Community Development who serves as Chairperson; one other person from Manitoba Housing and Community Development who serves as Secretary; and other persons appointed by the Lieutenant-Governor in Council.

One of the major objectives is to ensure that cooperative organizations have access to the basic financial services necessary for the development and expansion of viable enterprises to achieve the greatest benefit through economic activity.

The Board is empowered to make loans or guarantee loans to cooperative organizations in Manitoba. To be eligible for such a loan or loan guarantee, a cooperative must demonstrate that:

1. The required financing is not available from other sources on reasonable terms.

2. The loan or loan guarantee is required to assist the organization in carrying out its programs and is for productive purposes.

3. Normal cooperative principles and business practices are being observed.

4. Where possible, reasonable security is available to the lender.

All activities of the Board are administered by Manitoba Housing and Community Development.

ACTIVITIES 2011 - 2012

During the fiscal year ended March 31, 2012, the Board undertook the following activities:

- Held three board meetings
- Considered a request for a loan guarantee from Peg City Car Co-op. This request was subsequently withdrawn by the cooperative.
- Approved a loan to Neechi Foods Co-op Ltd as a contingency should the funds be required to complete the Neechi Commons Community Business Complex. Subsequently the Board reversed the original approval decision as Neechi Foods Co-op Ltd did not pursue the loan.
- Activity also occurred on the Board's loan guarantee with the Organic Producers Association of Manitoba Co-op Inc and the loan guarantee with Founding Nations of Manitoba Tribal Village/Artisans Co-op. Details of this activity can be found in note 3 of the financial information.

The Independent Auditor's Report, together with the financial information for the fiscal year ended March 31, 2012 follow.

Manitoba
Housing and Community Development

The Co-operative Loans and Loans Guarantee Board
203-280 Broadway
Winnipeg MB R3C 0R8

August 30, 2012

The Co-operative Loans and Loans Guarantee Board

Responsibility for Financial Reporting

The accompanying Schedule of Loan Guarantee Transactions, and other financial information in the Annual Report for the year ended March 31, 2012, are the responsibility of management and have been approved by the Board. This Schedule was prepared by management in accordance with the accounting policies set out in Note 2 to the Schedule. Any financial information contained elsewhere in the Annual Report conforms to the Schedule of Loan Guarantees.

As management is responsible for the integrity of the Schedule, management has established systems of internal control to provide reasonable assurance that assets are properly accounted for and safeguarded from loss.

The responsibility of the Office of the Auditor General is to perform an independent examination of the Schedule of Loan Guarantee Transactions of the Board in accordance with Canadian generally accepted auditing standards. The Independent Auditor's Report outlines the scope of the audit examination and provides the audit opinion.

Original signed by Joy Cramer

Joy Cramer,
Chairperson

OFFICE OF THE
AUDITOR GENERAL
MANITOBA

INDEPENDENT AUDITOR'S REPORT

To the Legislative Assembly of Manitoba
To the Co-operative Loans and Loans Guarantee Board

We have audited the accompanying schedule of loan guarantee transactions of the Co-operative Loans and Loans Guarantee Board for the year ended March 31, 2012 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Schedule

Management is responsible for the preparation and fair presentation of this schedule in accordance with Canadian generally accepted accounting principles and for such internal control as management determines is necessary to enable the preparation of the schedule is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the schedule based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the schedule presents fairly, in all material respects, the loan guarantee transactions of Co-operative Loans and Loans Guarantee Board as at March 31, 2012 in accordance with Canadian generally accepted accounting principles.

Office of the Auditor General

Office of the Auditor General
August 30, 2012
Winnipeg, Manitoba

500 - 330 Portage Avenue Winnipeg, Manitoba R3C 0C4 Office: (204) 945-3790 Fax: (204) 945-2169
www.oag.mb.ca

The Co-operative Loans and Loans Guarantee Board

Schedule of Loan Guarantee Transactions
for the year ended March 31, 2012

	Loan Guarantees at March 31, 2011 $	Additions $	Cancellations $	Loans Guarantees at March 31, 2012 $
Loan Guarantees: (Note 3)				
Organic Producers Association of Manitoba Co-op Inc.	85,000		34,000	51,000
Founding Nations of Manitoba Tribal Village/Artisans Co-op	16,800		16,800	-
	101,800	-	50,800	51,000

Approved by the Board:

Original Signed by Joy Cramer Chairperson

Original signed by Craig Marchinko Secretary

The Co-operative Loans and Loans Guarantee Board

Notes to the Schedule
for the year ended March 31, 2012

1. Nature of Operations

The Co-operative Associations Loans and Loans Guarantee Act established the Board with the primary objective of ensuring that cooperative organizations have access to basic financial services. The Board is empowered to make loans or guarantee loans to cooperative organizations in Manitoba. Manitoba Housing and Community Development administer the activities of the Board. The Department pays all administrative and general operating costs of the Board. The Board may charge a fee for its loans and loan guarantees. The Department records all revenue received.

2. Significant Accounting Policies

a) **General**
This schedule is prepared in accordance with Canadian generally accepted accounting principles (GAAP) for not-for-profit entities.

b) **Future Accounting Changes**
Effective April 1, 2012 the Board will be adopting government not-for-profit standards issued by the Public Sector Accounting Board (PSAB). The Board is currently in the process of quantifying the impact these changes will have on its financial position.

c) Loan guarantees are stated at the maximum amount guaranteed.

d) In the event of a default on a loan guarantee, the Province of Manitoba is responsible for the payout of the guaranteed amount.

3. Loan Guarantees

a) Organic Producers Association of Manitoba Co-op Inc.

On July 14, 2009, the Board approved a loan guarantee not to exceed 85% of the amount outstanding on a line of credit at any time. The line of credit shall not exceed $115,000. The Sunrise Credit Union accepted the loan guarantee and signed an agreement with the Organic Producers Association of Manitoba Co-op Inc. dated December 7, 2009. The maximum amount of the line of credit shall reduce by $15,000 on April 15, 2010, and by a further $40,000 on April 15, 2011. There was no balance on the line of credit at March 31, 2012. The loan guarantee ceases April 1, 2012.

b) Founding Nations of Manitoba Tribal Village/Artisans Co-op.

On February 16, 2010, the Board approved a maximum of $45,000 loan guarantee. The Assiniboine Credit Union accepted the loan guarantee and signed an agreement with Founding Nations of Manitoba Tribal Village/Artisans Co-op dated April 22, 2010.

On April 13, 2011, the Lender advised that the loan had not been repaid. The amount agreed to be paid by the Board, was paid out on May 12, 2011 ($16,786, which includes interest).

The Board and the Lender completed an Assignment Agreement on April 28, 2011 in consideration of the payment. The Assignor (Lender) assigned to the Government of Manitoba, as represented by the Co-operative Loans and Loans Guarantee Board, the debt of the new business operator (Co-op), the line of credit agreement, the promissory note and all its interests to the Assignee absolutely. The loan was recorded at nil for financial reporting purposes at March 31, 2012, as it was not deemed to be recoverable.

Subsequent to March 31, 2012 an amount of $455 was collected by the original lender on the Board's behalf and remitted to the Province on April 16, 2012. The Board determined that the Borrower was not in a position to pay off the remaining portion of the loan and the Board approved forgiveness of the outstanding loan balance of $16,331 on July 11, 2012.

4. Loan Act Authority

The Government of the Province of Manitoba has authorized the following amounts to be expended for funding loans and loan guarantees:

Authority	Outstanding Expenditure Authority
The Loan Act, 2011	
Guarantees	$3,500,000
Less: Amounts committed by the Board	51,000
	$3,449,000

5. Compensation Disclosure

The Public Sector Compensation Disclosure Act requires disclosure of the aggregate compensation paid to The Co-operative Loans and Loans Guarantee Board members and of individual compensation paid to board members or staff where such compensation is $50,000 or more per year. For the period from April 1, 2011 to March 31, 2012, The Co-operative Loans and Loans Guarantee Board paid Board members an aggregate of $553 (2011 - $158). This amount is included in Note 6. No individuals received compensation of $50,000 or more.

The Co-operative Loans and Loans Guarantee Board

Notes to the Schedule
for the year ended March 31, 2012

6. Contributed Services

The Government of the Province of Manitoba provides the services of support staff, other administrative support services, office space and utilities. The cost of support staff services for 2012 is estimated at $11,030 (2011 - $4,642) with another $20,810 (2011 - $20,086) for provincially paid identified expenses. The costs of other administrative support services, office space and utilities are deemed too difficult to estimate and as such no amount has been determined.

APPENDIX 6

The Manitoba Housing and Renewal Corporation (MHRC)
FINANCIAL STATEMENTS
FOR THE YEAR ENDING
MARCH 31, 2012

OFFICE OF THE
AUDITOR GENERAL
MANITOBA

Independent Auditor's Report

To the Legislative Assembly of Manitoba
To the Board of Directors of The Manitoba Housing and Renewal Corporation

We have audited the accompanying financial statements of The Manitoba Housing and Renewal Corporation, which comprise of the statement of financial position as at March 31, 2012, March 31, 2011 and April 1, 2010, and the statements of operations, changes in net assets, and cash flows for the years ended March 31, 2012 and March 31, 2011, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of The Manitoba Housing and Renewal Corporation as at March 31, 2012, March 31, 2011 and April 1, 2010 and the results of its operations and its cash flows for the years ended March 31, 2012 and March 31, 2011 in accordance with Canadian public sector accounting standards.

Basis of Presentation
Without modifying our opinion, we draw attention to Note 2a) to the financial statements, which describes that Manitoba Housing and Renewal Corporation adopted Canadian public sector accounting standards on April 1, 2011 with a transition date of April 1, 2010. These standards were applied retroactively by management to the comparative information in these financial statements.

Office of the Auditor General

Office of the Auditor General
August 24, 2012
Winnipeg, Manitoba

500 – 330 Portage Avenue Winnipeg, Manitoba R3C 0C4 OFFICE: (204) 945-3790 FAX: (204) 945-2169
www.oag.mb.ca

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Statement of Financial Position

March 31, 2012, March 31, 2011 and April 1, 2010

	2012	2011	April 1, 2010
Assets			
Current assets:			
Cash and cash equivalents (note 4)	$ 107,318,656	$ 136,905,200	$ 153,049,249
Accounts receivable (note 5)	39,661,386	41,660,196	52,063,670
Prepaid expenses	8,529,215	10,919,629	5,824,831
Current portion of loans and mortgages receivable (note 6)	7,478,104	7,211,004	7,112,598
	162,987,361	196,696,029	218,050,348
Loans and mortgages receivable (note 6)	121,331,605	125,287,703	132,590,474
Land inventory (note 7)	61,759,140	51,067,211	51,490,537
Capital assets (note 9)	286,676,364	187,442,527	119,991,749
	$ 632,754,470	$ 560,493,470	$ 522,123,108
Liabilities, Deferred Contributions and Net Assets			
Current liabilities:			
Accounts payable and accrued liabilities	$ 86,073,713	$ 69,958,649	$ 54,953,106
Current portion of long-term debt (note 10)	23,005,547	20,297,450	18,780,128
	109,079,260	90,256,099	73,733,234
Long-term debt (note 10)	627,727,155	549,727,620	512,833,644
Deferred revenue (note 11)	17,864,747	19,513,339	14,195,710
Funds held for third party expenses (note 12)	9,312,620	10,701,475	10,584,953
Deferred contributions: (note 13)			
Expenses of future periods	9,118,064	45,520,520	48,712,407
Capital assets	16,474,112	3,252,219	3,590,923
	25,592,176	48,772,739	52,303,330
Net assets:			
Unrestricted	(156,821,488)	(158,477,802)	(141,527,763)
Commitment (note 26)			
Contingencies (note 25)			
Guarantees (note 27)			
	$ 632,754,470	$ 560,493,470	$ 522,123,108

See accompanying notes to financial statements

On behalf of the Board:

Original signed by Joy Cramer
Director

Original Signed by Darrell Jones
Director

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Statement of Operations

Years ended March 31, 2012 and 2011

	2012	2011
Revenue:		
Grants from the Province of Manitoba (note 14)	$ 67,046,063	$ 61,034,954
Contributed services (note 15)	2,269,700	1,929,800
Rental revenue (note 16)	74,179,002	73,511,403
Other government contributions (note 17)	86,313,646	96,897,789
Other (note 18)	6,091,154	2,932,724
Amortization of deferred contributions (note 13)	339,771	638,704
	236,239,336	236,945,374
Interest:		
Loans and mortgages	11,933,067	12,658,621
Bank and other	241,147	752,742
	12,174,214	13,411,363
Sales of land:		
Joint venture (note 8)	79,689	91,002
Waverley West (note 18)	40,028,159	28,517,650
Other land holdings	9,177,816	551,550
	49,285,664	29,160,202
Gain (loss) on disposal of capital assets	(1,495)	1,779,453
Other	3,178,826	5,555,698
Total revenue	300,876,545	286,852,090
Expenses:		
Housing operations - excluding amortization and interest (note 16)	131,918,356	142,295,412
Housing operations amortization (note 16)	11,004,619	8,951,886
Housing operations interest (note 16)	20,805,657	22,322,932
Rental subsidies (note 19)	38,052,693	36,470,254
Grants and subsidies (note 20)	4,188,964	5,196,710
Interest expense	14,060,417	12,609,766
Administrative services	3,807,800	4,286,800
Provision for loss and write downs	782,727	247,491
Cost of land sales - joint venture (note 8)	79,689	91,002
Cost of land sales - Waverley West (note 18)	40,028,159	28,517,651
Cost of land sales - other land holdings	812,950	90,288
Housing program supports (note 21)	32,271,521	40,301,342
Pension (note 22)	393,376	1,623,357
Other	1,013,303	797,238
	299,220,231	303,802,129
Excess (deficiency) of revenue over expenses	$ 1,656,314	$ (16,950,039)

See accompanying notes to financial statements

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Statement of Changes in Net Assets

Years ended March 31, 2012 and 2011

	2012	2011
Net assets, beginning of year	$ (158,477,802)	$ (141,527,763)
Excess (deficiency) of revenue over expenses	1,656,314	(16,950,039)
Net assets, end of year	$ (156,821,488)	$ (158,477,802)

See accompanying notes to financial statements

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Statement of Cash Flows

Years ended March 31, 2012 and 2011

	2012	2011
Operating activities:		
Excess (deficiency) of revenue over expenses	$ 1,656,314	$ (16,950,039)
Adjustments for:		
Amortization of capital assets	11,004,619	8,951,886
Amortization of deferred contributions related to capital assets	(339,771)	(638,704)
Amortization of rental subsidies related to capital assets	707,052	707,052
Deferral of land development profits	(5,113,472)	(5,913,948)
Land inventory development costs	(52,503,996)	(28,275,613)
Proceeds from disposal of land inventory	54,399,136	35,074,150
Gain on sales of land - other	(8,364,866)	(461,262)
Provision for loss and write downs	782,727	247,491
Loss (gain) on disposal of capital assets	1,495	(1,779,453)
Changes in the following:		
Accounts receivable	1,998,810	10,403,475
Prepaid expenses	2,390,415	(5,094,798)
Accounts payable and accrued liabilities	16,115,065	15,005,543
Net decrease in deferred revenue	(1,648,593)	5,317,629
Net decrease in deferred contributions related to expenses of future periods	(36,402,456)	(3,191,887)
Net decrease in funds held for third party expenses	(1,388,855)	116,522
	(16,706,376)	13,518,044
Capital activities:		
Proceeds from disposal of land	2,975	12,050
Proceeds from disposal of capital assets	-	1,768,000
Purchase of capital assets	(110,949,979)	(77,110,314)
	(110,947,004)	(75,330,264)
Investing activities:		
Additions to loans and mortgages receivable	(4,644,230)	(950,043)
Proceeds from repayment of loans and mortgages receivable	8,441,771	7,906,917
	3,797,541	6,956,874
Financing activities:		
Net increase in deferred contributions related to capital assets	13,561,664	300,000
Repayment of long-term debt	(72,972,948)	(58,634,838)
Repayment of long-term debt - on retirement	(6,806,772)	(45,702)
Proceeds from long-term debt	160,487,351	97,091,837
	94,269,295	38,711,297
Net decrease in cash	(29,586,544)	(16,144,049)
Cash, beginning of year	136,905,200	153,049,249
Cash, end of year	$ 107,318,656	$ 136,905,200
Supplementary cash flow information:		
Interest paid	$ 36,068,044	$ 35,938,251
Interest received	13,846,707	15,080,649

See accompanying notes to financial statements

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Years ended March 31, 2012 and 2011

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1. General

The Manitoba Housing and Renewal Corporation (MHRC) operates under the authority of The Housing and Renewal Corporation Act, being Chapter H 160 Revised Statutes of Manitoba 1987. The purposes and objectives of the Act are:

a) to ensure that there is an adequate supply of housing stock in Manitoba;
b) to enhance the affordability of, and accessibility to, adequate housing for Manitobans, particularly those of low and moderate income and those with specialized needs;
c) to maintain and improve the condition of existing housing stock; and
d) to stimulate and influence the activities of the housing market to the benefit of Manitobans as a whole.

MHRC is under the management and control of a Board of Directors appointed by the Lieutenant Governor in Council. The board shall consist of not fewer than five members and not more than 13 members and the Lieutenant Governor in Council may designate one of the members of the board as chairperson and one member as vice-chairperson.

MHRC is economically dependent on the Government of the Province of Manitoba.

2. Significant accounting policies

a) Basis of presentation

On April 1, 2011, MHRC adopted the Canadian accounting standards for government not-for-profit organizations. These are the first financial statements prepared in accordance with these standards. The Public Sector Accounting Board requires a government not-for-profit organization to comply on a consistent basis with either Public Sector Accounting Standards (PSAS) or PSAS supplemented by not-for-profit standards contained within the PS4200 series of the Public Sector Accounting Handbook (ASGNFPO). MHRC has chosen to comply on a consistent basis with ASGNFPO.

In accordance with the transitional provisions of ASGNFPO, MHRC has adopted the changes retrospectively, subject to certain exemptions allowed under these standards. The transition date is April 1, 2010 and all comparative information provided has been presented by applying ASGNFPO.

A summary of transitional adjustments recorded to net assets and excess (deficiency) of revenue over expenses is provided in note 3.

b) Revenue recognition

MHRC follows the deferral method of accounting for contributions. Under the deferral method of accounting for contributions, restricted contributions related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis at a rate corresponding with the amortization rate for the related capital assets.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Rental revenue is recognized in the fiscal period during which the service is provided.

An accounts receivable is recorded for any revenue earned but not received at fiscal year-end. An allowance for doubtful accounts is also recorded at fiscal year-end to reduce accounts receivable to their estimated realizable amounts.

Land sales are recognized in the period in which the ownership is transferred, except for the profit component associated with land development revenue.

Land development profits are restricted in use by Legislation and therefore revenue recognition is deferred until tthe profits are used to support eligible expenditures.

Interest is recognized on an accrual basis in the fiscal period in which it is earned.

c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and highly liquid trust deposits with the Province of Manitoba that are convertible to cash within three months or less.

d) Financial instruments

Financial instruments are recorded at cost or amortized cost on initial recognition. Derivative instruments and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost using the effective interest method, unless management has elected to carry a group of financial instruments at fair value in accordance with its risk management or investment strategy. MHRC has not elected to carry any such group of financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs. These costs are amortized using the effective interest method.

e) Loans and mortgages receivable

MHRC maintains an allowance for loan impairment, which reduces the carrying value of loans and mortgages receivable to their estimated realizable amounts. Depending on the program under which the loan or mortgage is made, estimated realizable amounts are determined with reference to MHRC's historical loss experience on similar loans or the appraised value of the project financed by the loan or mortgage.

Specific allowances are established for individual loans and mortgages for which the estimated realizable amount is less than the carrying value. MHRC does not provide an additional non-specific, general provision for loan impairment. MHRC's Board of Directors has approved a policy which defines whether an individual mortgage or loan balance is to be considered impaired based on the time period that it has been in arrears.

Loan forgiveness for forgivable loans is approved in accordance with the terms of the loan agreements. MHRC records an asset valuation allowance equal to the amount of the loan at the time the loan is granted. As forgiveness conditions are met by the borrower, MHRC records the annual forgiveness by reducing both the forgivable loan and the accompanying valuation allowance. Any Federal contributions towards forgivable loans are recorded as revenue as loans are disbursed.

f) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Construction in progress is transferred to the appropriate capital asset category when the project is completed and the asset is placed in service at which time, amortization commences. Cost includes direct construction costs, land acquisition costs and interest and other related carrying charges incurred during the period of construction. Repairs and maintenance costs are charged to expense. Betterments which extend or improve the life of an asset are capitalized. When a capital asset no longer contributes to the MHRC's ability to provide services, its carrying amount is written down to its residual value. Amortization is provided on a straight-line basis at the following rates:

Asset	Rate
Buildings	25 and 40 years
Building improvements	15 years
Leasehold improvements	Over the lease term
Computer - major application	15 years
Computer software - other	4 years
Computer system - hardware	4 years
Furniture and equipment	8 years

g) Land inventory

Land under development includes the value of land and all costs incurred directly related to the land improvement. Development costs include but are not limited to site preparation, architectural, engineering, surveying, fencing, landscaping and infrastructure for electrical, roads and underground works.

Land held for future development or sale is valued at the lower of cost or appraised value adjusted for estimated disposition costs, except for land leased to co-operatives. Cost includes the original purchase price and related acquisition costs.

Land leased to co-operatives is valued at original cost. MHRC incurs no liabilities or obligations with respect to the lessees' buildings situated on the land. The carrying costs of the land and lease revenue flow through MHRC operations.

h) Interest in joint ventures

The interest in joint venture is recognized using the proportionate consolidation method. Proportionate consolidation is a method of accounting and reporting whereby MHRC's pro-rata share of each of the assets, liabilities, revenues and expenses of the joint venture is combined on a line by line basis with similar items in MHRC's financial statements.

i) Employee future benefits

Current service contributions for Direct Managed employees are recognized as operating expenses. MHRC has no further liability associated with the annual cost of pension benefits earned by Direct Managed employees.

MHRC has a liability associated with the annual cost of pension benefits earned by the former Department of Family Services and Housing employees who were transferred to MHRC on February 8, 2003.

Under ASGNFPO, actuarial gains and losses are amortized to the liability or asset and the related expense in a systematic and rational manner over the expected average remaining service life of the related employee group (EARSL). As permitted upon first time adoption of ASGNFPO, MHRC has elected to recognized cumulative actuarial gains and losses at the date of transition to ASGNFPO directly to accumulated surplus/deficit.

Current actuarial gains and losses are recognized as operating expenses. MHRC will amortize actuarial gains and losses over EARSL on a prospective basis commencing in 2012/13.

j) Contributed services

Under an agreement entered into between MHRC and the Province of Manitoba in 1984, the Department provides administrative services to MHRC at no cost. The value of these contributed and administrative services is recorded as revenue and expenses.

k) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

3. First time adoption of Public Sector Accounting Standards

In previous fiscal years, MHRC's financial statements were presented in accordance with Canadian generally accepted accounting principles for profit oriented enterprises. The Accounting Standards Board has approved the accounting framework choices for government not-for-profit organizations. Effective, April 1, 2011 MHRC adopted ASGNFPO.

These new standards were required to be applied retroactively. The impacts of these changes are as follows:

Net assets

The following table summarizes the impact of the transition to ASGNFPO on MHRC's net assets as of April 1, 2010 and March 31, 2011.

	2011	April 1, 2010
As previously reported under Canadian generally accepted accounting principles	$ (183,698,603)	$ (202,020,675)
Differences decreasing previously reported amount:		
Accounts receivable (note 3a)	2,446,393	2,510,667
Capital assets (note 3b)	2,266,262	2,267,649
Accounts payable and accrued liabilities (note 3c)	536,418	361,174
Deferred revenue (note 3d)	(7,983,216)	(4,969,043)
Deferred revenue (note 3d)	10,037,786	6,443,680
Deferred contributions (note 3e)	16,594,361	34,497,863
Deferred contributions (note 3e)	1,221,337	19,357,774
Deferred contributions (note 3e)	101,460	23,148
	$ (158,477,802)	$ (141,527,763)

Excess (deficiency) of revenue over expenses

The following table summarizes the impact of the transition to ASGNFPO on MHRC's excess (deficiency) of revenue over expenses for the year ended March 31, 2011.

	2011
As previously reported under Canadian generally accepted accounting principles	$ 18,322,071
Differences increasing (decreasing) previously reported amount:	
Deferred revenue from Housing Development and Rehabilitation Fund (note 3d)	2,932,724
Deferred revenue land development profit to Housing Development and Rehabilitation Fund (note 3d)	(5,913,948)
Deferred contributions - Other government contributions (note 3e)	651,695
Deferred contributions - Housing operations (note 3e)	1,033,314
Deferred contributions - Other programs (note 3e)	(34,146,874)
Deferred contributions - Interest (note 3e)	170,979
	$ (16,950,039)

a) Accounts receivable

Balances adjusted to accounts receivable.

	2011	April 1, 2010
Accounts receivable as previously reported	$ 39,213,803	$ 49,553,003
Add: amount adjusted for other government contributions - federal contributions	2,446,393	2,510,667
	$ 41,660,196	$ 52,063,670

b) Capital assets

Under ASGNFPO, capital assets are to be reported at gross cost, and under the deferral method, any capital contributions from third party are recorded as deferred contributions and recognized as revenue on the same basis as the amortization of the related capital asset. Previously, MHRC netted third party contributions towards capital assets against the reported value of the asset and did not recognize the third party contributions as revenue. The conversion to ASGNFPO results in an increase in capital assets and an increase in opening net assets as the related assets have been fully amortized in prior years.

	2011	April 1, 2010
Capital assets as previously reported	$ -	$ -
Add: amount reclassified from housing projects	185,802,688	118,387,064
Less: amount reclassified from housing investment	(626,423)	(662,964)
Add: amount reclassified from housing investment	2,266,262	2,267,649
	$ 187,442,527	$ 119,991,749

c) Accounts payable and accrued liabilities

Included in accounts payable and accrued liabilities in prior years were amounts received as settlement for property losses which had previously been recorded as deferred revenue until the properties were rebuilt. Under ASGNFPO, because there are no external restriction on how these funds are to be used MHRC would record these as revenue when received. This results in a decrease in accounts payable and accrued liabilities and an increase in opening net assets.

	2011	April 1, 2010
Accounts payable and accrued liabilities as previously reported	$ 70,495,067	$ 55,314,280
Less: amount adjusted for housing operations - excluding amortization and interest	(536,418)	(361,174)
	$ 69,958,649	$ 54,953,106

d) Deferred revenue

Under ASGNFPO, MHRC is required to record any profits accumulated in the Housing Development and Rehabilitation Fund (HDRF) (note 18) as deferred revenue, because the use of the fund is externally restricted with respect to its use by the Housing and Renewal Corporation Act. The HDRF is recognized into revenue on the same basis as which the funds are used on eligible expenses as per the Act. Previously, MHRC recognized all HDRF profits as well as revenue when the profits were generated and the fund balance therefore was included in net assets. The conversion results in an increase in deferred revenue and a decrease in opening net assets.

	2011	April 1, 2010
Deferred revenue as previously reported	$ 66,591,309	$ 63,783,582
Add: amount reclassified from The Housing Development and Rehabilitation Fund	7,983,216	4,969,043
Less: amount adjusted for other government contributions - provincial contributions	(10,037,786)	(6,443,680)
Less: amount reclassified to funds held for third party expenses	(10,701,475)	(10,584,953)
Less: amount reclassified to deferred contributions	(34,321,925)	(37,528,282)
	$ 19,513,339	$ 14,195,710

e) Deferred contributions

Under ASGNFPO, only externally restricted contributions can be recorded as deferred contributions and recognized as revenue when the funds are used for the purposes specified by the restrictions. MHRC had previously recorded deferred federal and provincial contributions for which were only internally restricted in use but for which there were no external restrictions. Under ASGNFPO, internally restricted contributions should be recorded as revenue when received. The conversion results in a decrease in deferred contributions and an increase in opening net assets.

Under ASGNFPO, MHRC received federal funding under existing agreements which is restricted in use by the agreement. These were previously reported as deferred revenue. Under ASGNFPO, these are more appropriately classified as deferred contributions. MHRC also received federal contributions toward housing projects which were previously netted against the capital cost of the assets. Under ASGNFPO, these are more appropriately classified as deferred contributions.

	2011	April 1, 2010
Deferred contributions as previously reported	$ 29,115,753	$ 65,062,910
Add: amount reclassified from deferred revenue	34,321,925	37,528,282
Add: amount reclassified from housing projects	3,252,219	3,590,923
Less: amount adjusted for other government contributions - provincial contributions	(16,594,361)	(34,497,863)
Less: amount adjusted for other government contributions - federal contributions	(1,221,337)	(19,357,774)
Less: amount adjusted for interest - bank and other	(101,460)	(23,148)
	$ 48,772,739	$ 52,303,330

f) In addition to the preceding adjustments, there were significant changes in financial statement presentation required as a result of the adoption of ASGNPO. The details of these presentation changes and reclassifications are as follows:

i) Current portion of loans and mortgages receivable

	2011	April 1, 2010
Current portion of loans and mortgages receivable as previously reported	$ -	$ -
Add: amount reclassified from loans and mortgages receivable	7,211,004	7,112,598
	$ 7,211,004	$ 7,112,598

ii) Loans and mortgages receivable

	2011	April 1, 2010
Loans and mortgages receivable as previously reported	$ 131,426,941	$ 138,284,225
Less: amount reclassified to current portion of loans and mortgages receivable	(7,211,004)	(7,112,598)
Add: amount reclassified from housing investment	1,071,766	1,418,847
	$ 125,287,703	$ 132,590,474

iii) Housing projects

	2011	April 1, 2010
Housing projects as previously reported	$ 182,550,469	$ 114,796,141
Less: amount reclassified to capital assets	(185,802,688)	(118,387,064)
Add: amount reclassified to deferred contributions	3,252,219	3,590,923
	$ -	$ -

iv) Housing investment

	2011	April 1, 2010
Housing investment as previously reported	$ 445,343	$ 755,883
Less: amount reclassified to capital assets	(2,266,262)	(2,267,649)
Less: amount reclassified to loans and mortgages receivable	(1,071,766)	(1,418,847)
Add: amount reclassified to capital assets	626,423	662,964
Add: amount reclassified to net assets	2,266,262	2,267,649
	$ -	$ -

v) Land development costs

	2011	April 1, 2010
Land development cots as previously reported	$ 44,907,121	$ 39,691,944
Less: amount reclassified to land inventory	(44,907,121)	(39,691,944)
	$ -	$ -

vi) Land

	2011	April 1, 2010
Land as previously reported	$ 6,160,090	$ 11,798,593
Less: amount reclassified to land inventory	(6,160,090)	(11,798,593)
	$ -	$ -

vii) Land inventory

	2011	April 1, 2010
Land inventory as previously reported	$ -	$ -
Add: amount reclassified from land development costs	44,907,121	39,691,944
Add: amount reclassified from land	6,160,090	11,798,593
	$ 51,067,211	$ 51,490,537

viii) Current portion of long-term debt

	2011	April 1, 2010
Current portion of long-term debt as previously reported	$ -	$ -
Add: amount reclassified from long-term debt	20,297,450	18,780,128
	$ 20,297,450	$ 18,780,128

ix) Long-term debt

	2011	April 1, 2010
Long-term debt as previously reported	$ 570,025,070	$ 531,613,772
Less: amount reclassified to current portion of long-term debt	(20,297,450)	(18,780,128)
	$ 549,727,620	$ 512,833,644

x) Funds held for third party expenses

	2011	April 1, 2010
Funds held for third party expenses as previously reported	$ -	$ -
Add: amount reclassified from deferred revenue	10,701,475	10,584,953
	$ 10,701,475	$ 10,584,953

4. Cash and cash equivalents

	2012	2011
On deposit with the Minister of Finance:		
Trust deposits	$ 15,802,413	$ 28,908,702
Risk Reserve related to Social Housing Agreement	9,038,532	11,292,454
	24,840,945	40,201,156
Bank	82,469,586	96,695,794
Petty cash	8,125	8,250
	$ 107,318,656	$ 136,905,200

5. Accounts receivable

	2012	2011
Canada Mortgage and Housing Corporation	$ 9,017,434	$ 9,379,152
Government of the Province of Manitoba and its agencies	1,727,830	2,573,045
Rent receivables - net of allowance of $6,716,083 (2011 - $6,147,917)	4,186,497	4,052,189
Accrued interest on loans and mortgages receivable	741,956	638,158
City of Winnipeg	57,771	157,870
Other - net of allowance of $437,568 (2011 - $326,981)	12,954,902	14,278,162
Government of the Province of Manitoba:		
Severance benefits (note 23)	1,446,105	1,446,105
Pension recoverable (note 22)	9,528,891	9,135,515
	$ 39,661,386	$ 41,660,196

6. Loans and mortgages receivable

a) Composition of loans and mortgages receivable

	2012	2011
Federal/Provincial Housing Programs:		
Private Non-Profit Housing	$ 85,225,008	$ 88,448,589
Rural and Native Housing	841,998	1,068,231
Urban Native Housing	17,500,607	20,935,388
	103,567,613	110,452,208
Market Rental Programs:		
Co-operative HomeStart	7,414,740	7,644,909
Co-operative Index Linked	4,642,074	5,237,483
Manitoba Rural RentalStart	222,356	215,806
Manitoba Senior RentalStart	4,197,174	4,199,188
	16,476,344	17,297,386
Other Programs:		
Community Residences	1,946,843	2,100,806
Market Homeowner	1,894	11,081
Homeowner Rehabilitation	93,455	104,522
Affordable Rental Housing	4,055,081	-
Other	3,501,814	3,585,169
	9,599,087	5,801,578
	129,643,044	133,551,172
Less - allowance for loan impairment	(833,335)	(1,052,465)
Subtotal repayable loans and mortgages receivable	128,809,709	132,498,707
Forgivable loans	204,293,643	174,759,728
	333,103,352	307,258,435
Less - forgivable loans asset valuation allowance	(204,293,643)	(174,759,728)
Loans and mortgages receivable	$ 128,809,709	$ 132,498,707
Current portion of loans and mortgages receivable	$ 7,478,104	$ 7,211,004
Long-term portion of loans and mortgages receivable	121,331,605	125,287,703
Loans and mortgages receivable	$ 128,809,709	$ 132,498,707

Loans and mortgages receivable bear interest at various rates between 0% and 14.25% with maturities at various dates to 2035.

Principal repayments on the loans and mortgages maturing in the next five years are estimated as follows:

2013	$ 9,949,859
2014	849,241
2015	1,814,526
2016	1,044,218
2017	1,069,106
Thereafter	114,916,094
	$ 129,643,044

b) Allowance for loan impairment

The allowance for loan impairment is comprised of the following specific provisions:

	2012	2011
Market rental programs	$ 705,810	$ 949,810
Other programs	127,525	102,655
	$ 833,335	$ 1,052,465

7. Land inventory

	2012	2011
Land under development	$ 57,343,945	$ 44,907,121
Future development or sale	2,755,403	3,568,353
Leased to co-operatives	1,659,792	1,659,792
Joint venture	-	931,945
	$ 61,759,140	$ 51,067,211

8. Joint venture

MHRC contributed 179 acres of land, at appraised value, to a joint venture with Ladco Company Limited on May 11, 1989. The joint venture activities include the servicing, development and sale of approximately 476 acres of land in the City of Winnipeg, Manitoba. In accordance with the terms of the agreement, MHRC has provided loan guarantees for the purposes of the joint venture development in an amount not to exceed $2,400,000 (note 27).

Joint venture profits are recorded under deferred revenue - Housing Development and Rehabilitation Fund until such time as the profits are required for expenditures. The amount reduced from the sales of land for deferred revenue was $712,731.

The following is a summary of MHRC's pro rata share at 37.6% of the assets, liabilities, revenues and expenses of the Ladco Company Limited joint venture.

	2012	2011
Current assets:		
Cash and short term investments	$ 1,608,961	$ 777,763
Prepaid expenses	16,231	22,160
Accounts receivable from land sales	329,766	397,904
	1,954,958	1,197,827
Long-term assets:		
Development in progress	(88,354)	(48,933)
	$ 1,866,604	$ 1,148,894
Current liabilities:		
Accounts payable and accrued liabilities	$ 42,613	$ 37,633
Net assets	1,823,991	1,111,261
	$ 1,866,604	$ 1,148,894

	2012	2011
Sales of land	$ 792,420	$ 507,600
Cost of land sales	45,473	43,090
Gross margin	746,947	464,510
Expenses:		
Interest on bank indebtedness	-	5,796
General	46,561	28,686
Other	(12,345)	(28,216)
	34,216	6,266
Net income for the year	$ 712,731	$ 458,244

9. Capital assets

	2012	2011
Land	$ 26,098,323	$ 24,282,626
Buildings and improvements	491,665,278	438,370,250
Less - accumulated amortization	(384,376,005)	(372,664,333)
Buildings - net book value	107,289,273	65,705,917
Under construction	152,979,749	97,453,984
Total land and buildings	286,367,345	187,442,527
Other assets	1,748,938	1,439,919
Less - accumulated amortization	(1,439,919)	(1,439,919)
Other assets - net book value	309,019	-
Total net capital assets	$ 286,676,364	$ 187,442,527

MHRC has capitalized $683,759 (2011 - $96,498) of interest during fiscal 2012 to construction in progress.

10. Long-term debt

	2012	2011
Government of the Province of Manitoba:		
Advances, convertible to long-term advances at MHRC's option, at prime interest rates.	$ 270,114,874	$ 167,223,349
Long-term advances, at interest rates from 3.375% to 13.375% maturing at various dates to 2029 and requiring annual principal and interest payments of $38,302,158 (2011 - $38,103,892).	247,009,059	255,949,896
Canada Mortgage and Housing Corporation:		
Long-term advances, at interest rates from 5.375% to 10.50% maturing at various dates to 2030 and requiring annual principal and interest payments of $18,328,104 (2011 - $15,002,567).	133,106,566	144,291,009
Mortgages payable (assumed on property acquisitions), at interest rates from 5.375% to 9.625% maturing at various dates to 2028 and requiring annual principal and interest payments of $2,739,736 (2011 - $318,412).	502,203	2,560,816
	$ 650,732,702	$ 570,025,070
Current portion of long-term debt	$ 23,005,547	$ 20,297,450
Long-term debt	627,727,155	549,727,620
	$ 650,732,702	$ 570,025,070

Principal repayments on the long-term debt are estimated as follows:

2013	$ 23,005,547
2014	24,369,977
2015	25,749,783
2016	26,795,836
2017	27,660,173
Thereafter	523,151,386
	$ 650,732,702

11. Deferred revenue

	2012	2011
Tenant prepaid rent	$ 2,356,949	$ 2,382,003
Prepaid land lease	42,435	79,320
Housing Development and Rehabilitation Fund (note 18)	7,070,662	7,983,216
Lot options - land under development	8,394,701	9,068,800
	$ 17,864,747	$ 19,513,339

12. Funds held for third party expenses

	2012	2011
Affordable Housing Initiative	$ 8,553,714	$ 10,701,475
Investment in Affordable Housing	758,906	-
	$ 9,312,620	$ 10,701,475

13. Deferred contributions

a) Expenses of future periods

Deferred contributions related to expenses of future periods represent restricted funding received under various agreements primarily to mitigate future operating risks.

	2012	2011
Balance, beginning of year	$ 45,520,520	$ 48,712,407
Contributions received	-	29,070,530
Adjustment to third party equity accounts	(14,851)	47,059
Amount reclassified to accounts payable and accrued liabilities	56,407	14,472
Amount reclassified to deferred contributions - capital assets	(12,833,995)	(300,000)
Amount reclassified to funds held for third party expenses	(53,777)	-
Amount recognized as revenue in the year	(23,556,240)	(32,023,948)
Balance, end of year	$ 9,118,064	$ 45,520,520

b) Capital assets

Deferred contributions related to capital assets represent the unamortized amount of grants and other contributions received for the construction and rehabilitation of capital assets.

	2012	2011
Balance, beginning of year	$ 3,252,219	$ 3,590,923
Amount reclassified from deferred contributions - expenses of future periods	12,833,995	300,000
Amount reclassified from funds held for third party expenses	727,669	-
Amount amortized to revenue in the year	(339 771)	(638,704)
Balance, end of year	$ 16,474,112	$ 3,252,219

14. Grants from the Province of Manitoba

	2012	2011
Department of Housing and Community Development:		
MHRC operating programs	$ 49,983,910	$ 42,029,898
MHRC administration	13,601,090	13,165,102
Grants and subsidies	2,867,928	3,978,589
	66,452,928	59,173,589
Grants recovered from the Department of Finance:		
School Tax Assistance for Tenants 55 Plus Program	199,759	238,008
Pension recovery (note 22)	393,376	1,623,357
	593,135	1,861,365
	$ 67,046,063	$ 61,034,954

15. Contributed services

	2012	2011
Administrative services provided by Departments of the Province of Manitoba were allocated as follows:		
Included in Statement of Operations, administrative services	$ 940,500	$ 797,100
Included in administrative expenses in note 16, direct managed housing operations	896,200	744,900
Included in administrative expenses in note 16, sponsor managed housing operations	24,600	18,200
Included in rental subsidies, note 19	228,600	184,600
Included in Statement of Operations, housing program supports, note 21	179,800	185,000
	$ 2,269,700	$ 1,929,800

16. Housing operations

The management and operation of all MHRC owned social housing projects are direct managed and sponsor managed. The operating results are as follows:

	2012			2011		
	Direct Managed	Sponsor Managed	Total	Direct Managed	Sponsor Managed	Total
Revenue						
Rental revenue	$ 56,937,746	$ 17,241,256	$ 74,179,002	$ 54,833,648	$ 18,677,755	$ 73,511,403
Expenses						
Administration (note 15)	30,714,134	3,328,176	34,042,310	27,715,622	3,360,596	31,076,218
Property operating	64,955,650	19,241,628	84,197,278	73,441,257	23,916,730	97,357,987
Grants in lieu of taxes	11,203,131	2,475,637	13,678,768	11,113,031	2,748,176	13,861,207
Amortization	8,222,801	2,781,818	11,004,619	6,758,934	2,192,952	8,951,886
Interest	17,400,367	3,405,290	20,805,657	18,230,167	4,092,765	22,322,932
	132,496,083	31,232,549	163,728,632	137,259,011	36,311,219	173,570,230
Operating loss	$ 75,558,337	$ 13,991,293	$ 89,549,630	$ 82,425,363	$ 17,633,464	$ 100,058,827

17. Other government contributions

Pursuant to the Social Housing Agreement executed by MHRC and CMHC, CMHC will pay fixed annual contributions to MHRC for individual housing projects over the remainder of the CMHC subsidy commitment period. The Agreement took effect October 1, 1998 and has a funding expiration date of August 31, 2031.

	2012	2011
Federal contributions	$ 86,149,168	$ 96,616,293
Municipal contributions	164,478	281,496
	$ 86,313,646	$ 96,897,789

18. Housing Development and Rehabilitation Fund

On November 8, 2007, The Housing and Renewal Corporation Amendment Act provided for the establishment of a fund known as the "Housing Development and Rehabilitation Fund".

The fund is to be credited with suburban land development profits realized by MHRC in respect of land owned or developed by it or by a partnership or joint venture in which MHRC is or was a participant. The gross proceeds from land development was $45,221,320 (2011 - $34,522,600) and the cost of land sales was $40,107,848 (2011 - $28,608,652). Interest earned on the amounts is to be credited to the fund. The fund may be used to provide support for housing projects in areas of need within a municipality in which MHRC realized profits, including the development of new housing or the rehabilitation of existing housing.

All costs allocated to the portions of land sold in a land development project are deducted from the gross proceeds realized from sale of those portions of land in order to determine land development profits. MHRC uses the net yield method to allocate costs to the individual portions which are sold as part of a land development project. Common costs for the development project are allocated to portions which are sold based on acreage, and the cost allocation includes both an allocation of actual land development costs incurred as well as an allocation of costs which are required to complete those portions of the land which are reported as sold.

	2012	2011
Balance, beginning of year	$ 7,983,216	$ 4,969,043
Land development profits	5,113,472	5,913,948
Interest earned	65,128	32,949
Current year disbursements	(6,091,154)	(2,932,724)
Balance, end of year	$ 7,070,662	$ 7,983,216

19. Rental subsidies

Rental subsidies are provided in accordance with project operating agreements with third parties which establish the basis of eligibility for subsidy assistance. The net rental subsidies required by these organizations are as follows:

	2012	2011
Not-for-Profit Housing	$ 28,188,009	$ 26,897,517
Co-operative Housing	4,141,299	3,970,663
Private Landlords	5,723,385	5,602,074
	$ 38,052,693	$ 36,470,254

20. Grants and subsidies

	2012	2011
Manitoba Shelter Benefit	$ -	$ 1,633,933
Portable Housing Benefit	1,533,441	1,166,756
Emergency Shelter Assistance	1,334,488	1,177,900
School Tax Assistance for Tenants 55 Plus	199,759	238,008
Elderly & Infirm Persons Housing	181,315	154,177
Co-op Homestart	72,689	76,578
Homeless Strategy	867,272	749,358
	$ 4,188,964	$ 5,196,710

21. Housing program supports

	2012	2011
Forgivable loans (note 6)	$ 29,533,915	$ 37,398,566
Administration and delivery agent fees	2,737,606	2,902,776
	$ 32,271,521	$ 40,301,342

22. Pension obligations

Employees of MHRC and Direct Managed employees are eligible for pensions under the Manitoba Civil Service Superannuation Fund. This pension plan is a defined benefit plan, which requires the organization to contribute an amount approximately equal to the employees' contribution to the Superannuation Fund for current services. Such payments are charged to housing operations as incurred and MHRC has no further liability associated with the annual cost of pension benefits earned by Direct Managed employees at this time. Pension expense recorded for Direct Managed employees for the year ended March 31, 2012 is $993,422 (2011 - $806,951).

MHRC has a liability associated with the annual cost of pension benefits earned by the former Department of Family Services and Housing employees who were transferred to MHRC on February 8, 2003. This liability consists of the employer's share of pension benefits paid to retired employees, as well as the increase in the unfunded pension liability during the fiscal year. This liability is determined by an actuarial valuation each year based on data provided by MHRC with the balances for the intervening year being estimated by a formula provided by the actuary. The most recent valuation was completed at March 31, 2011.

	2012	2011
Balance at beginning of year	$ 9,135,515	$ 7,512,158
Experience (gain)/loss	(274,065)	441,979
Benefits accrued	799,204	692,338
Interest accrued on benefits	596,126	510,106
Benefits paid/retired and terminations released - estimated	(727,889)	(21,066)
Balance at end of year	$ 9,528,891	$ 9,135,515

The above liability is in respect of active employees only and does not reflect any liability with respect to retired or former employees. The key actuarial assumptions were a rate of return of 6.0% (2011 - 6.0%), 2.0% inflation (2011 - 2.5%), salary rate increases of 2.75% (2011 - 2.75%) and post retirement indexing at 2/3 of the inflation rate. The projected benefit method was used and the liability has been calculated as at March 31, 2012 by the actuary.

The Province of Manitoba has accepted responsibility for funding MHRC's liability and related expense which includes an interest component. Therefore, MHRC has recorded a receivable from the Provincial of Manitoba equal to the estimated value of its actuarially determined pension liability of $9,528,891 as of March 31, 2012 (2011 - $9,135,515) and has recorded an increase in revenue for 2011/12 equal to the related pension expense increase of $393,376 (2011 - $1,623,357). The Province of Manitoba makes payments on the receivable when it is determined that the cash is required to discharge the related pension obligation.

23. Severance

a) Severance pay liability

Effective April 1, 1998, MHRC commenced recording the estimated liability for accumulated severance pay benefits for its Direct Managed employees. The amount of this estimated liability is determined and recorded annually using the method of calculation set by the Province of Manitoba.

Severance pay, at the employee's date of retirement, will be determined by multiplying the eligible employee's years of service (to a maximum of 22 or 15 years) by the employee's weekly salary at the date of retirement. Eligibility will require that the employee has achieved a minimum of nine years of service and that the employee is retiring from MHRC.

An actuarial report was completed for the severance pay liability as at March 31, 2012. MHRC's actuarially determined liability relating to the Direct Managed employees as at March 31, 2012 was $2,438,148 (2011 - $2,357,780). The report provides a formula to update the liability on an annual basis.

MHRC recorded a severance liability as at April 1, 2003 in the amount of $569,000 associated with the severance benefits earned by the former Department of Family Services and Housing employees who were transferred to MHRC on February 8, 2003. The amount of this estimated liability is determined and recorded annually using a method of calculation set by the Province of Manitoba.

An actuarial report was completed for the severance pay liability as at March 31, 2012. MHRC's actuarially determined liability relating to the former Department of Family Services and Housing employees as at March 31, 2012 was $1,236,335 (2011 - $1,274,821). The report provides a formula to update the liability on an annual basis.

b) Severance pay receivable

The Province of Manitoba has accepted responsibility for the severance pay benefits accumulated to March 31, 1998 by MHRC's employees. Accordingly, MHRC recorded effective April 1, 1998, a receivable of $877,105 from the Province of Manitoba, which was initially based on the estimated value of the corresponding actuarially determined liability for severance pay as at March 31, 1998. Subsequent to March 31, 1998, the Province provides annual grant funding for severance expense. As a result the change in the severance liability each year is fully funded. The interest component related to the receivable is reflected in the funding for severance expense. The receivable for severance pay will be paid by the Province when it is determined that the cash is required to discharge the related severance pay liabilities.

The amount recorded as a receivable from the Province for severance pay of $569,000 for former Department of Family Services and Housing employees was initially based on the estimated value of the corresponding actuarially determined liability for severance pay as at April 1, 2003. Subsequent to April 1, 2003, the Province provides annual grant funding for severance expense. As a result the change in the severance liability each year is fully funded. The interest component related to the receivable is reflected in the funding for severance expense. The receivable for severance pay will be paid by the Province when it is determined that the cash is required to discharge the related severance pay liabilities.

The carrying value of the receivables approximates its fair value as the interest component described above is comparables to current market rates.

24. Financial instruments and financial risk management

Financial instruments comprise the majority of MHRC assets and liabilities. MHRC risk management policies are designed to: identify and analyze risk, set appropriate risk limits and controls, and monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Board of Directors approves these policies and management is responsible for ensuring that the policies are properly carried out. The Board of Directors receives confirmation that the risks are being appropriately managed through regular reporting, third party compliance reporting and by reviews conducted by MHRC.

MHRC is exposed to credit, liquidity and market risks in respect of its use of financial instruments.

a) Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. The financial instruments that potentially subject MHRC to credit risk consist principally of accounts receivable, loans and mortgages receivable and guarantees on loans. MHRC's investments are held by the Province of Manitoba who guarantees the associated payments of principal and interest.

MHRC's maximum possible exposure to credit risk is as follows:

	2012	2011
On deposit with the Minister of Finance (note 4)	$ 24,840,945	$ 40,201,156
Accounts receivable (note 5)	39,661,386	41,660,196
Loans and mortgage receivable (note 6)	128,809,709	132,498,707
Loan guarantees (note 27)	14,292,198	3,867,065
	$ 207,604,238	$ 218,227,124

MHRC establishes an allowance for doubtful accounts that represents its estimate of potential credit losses. The allowance for doubtful accounts is based on MHRC's estimates and assumptions regarding customer analysis, historical payment trends and statutes of limitations. These factors are considered when determining whether past due accounts are allowed for or written off.

The change in the allowance for doubtful accounts during the year was as follows:

	2012	2011
Balance, beginning of the year	$ 6,474,898	$ 5,648,959
Provision for receivable impairment	980,018	1,061,257
Amounts written off	(301,265)	(235,318)
Balance, end of the year	$ 7,153,651	$ 6,474,898

On deposit with the Minister of Finance

MHRC is not exposed to significant credit risk as its investments are held by the Province of Manitoba and the Province of Manitoba guarantees the associated payments of principal and interest.

Accounts receivable

The accounts receivable partially consists of $9,017,434 due from Canada Mortgage and Housing Corporation and $12,702,826 from the Province of Manitoba.

Loans and mortgage receivable

Impairment provisions are provided for losses that have been incurred as of the balance sheet date. Management of credit risk is an integral part of MHRC's activities with careful monitoring and appropriate remedial actions being taken.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The interest rate exposure relates to investments, loans receivable, and advances from the Province of Manitoba.

MHRC's loans and mortgages are exposed to interest rate fluctuations. This risk is mitigated through the almost exclusive use of fixed rate terms. A change of +100 basis points would result in a decrease in value of $10,662,874 whereas a -100 basis point change would result in an increase in value of $11,791,402.

MHRC manages its interest rate risk on long term debt through the use of fixed rate terms for its long term debt. A change of +100 basis points in the interest rates would have decreased its fair value by $28,331,254 whereas a change of -100 basis points would have increased its fair value by $31,118,873.

On deposit with the Minister of Finance

MHRC's investment portfolio is mainly of short-term interest bearing investments. These investments are normally held to maturity so changes in interest rates do not affect the value of the investments. All of MHRC's investments are placed through the Manitoba Department of Finance.

Loans and mortgage receivable/loans from the Province of Manitoba

MHRC borrows funds for lending operations from the Province of Manitoba at fixed rates and normally lends those funds to clients at reasonable percentage above the associated borrowing rate. All loans from the Province of Manitoba have fixed interest rates for the full term of the advance and MHRC only offers fixed interest rate loans to its clients. Due to this corresponding arrangement, MHRC does not incur significant interest rate risk. However, some interest rate risk is imparted due to MHRC's lending policy of allowing prepayment of loans without penalty, given that MHRC does not have the offsetting ability to prepay the associated advances from the Province of Manitoba without penalty. MHRC mitigates this risk by closely matching the cash flow from client loan payments, including estimated annual prepayments, to the cash flow required to repay advances from the Province of Manitoba.

c) Liquidity risk

Liquidity risk relates to MHRC's ability to access sufficient funds to meet its financial commitments.

Advances from the Province of Manitoba have a direct correlation to the loans receivable as the funds borrowed are directly lent to MHRC clients. Funding is provided by the Province of Manitoba for the full amount of loans that are written off. Subsequently, MHRC has minimal liquidity risk on its lending portfolio in respect of advances from the Province of Manitoba.

MHRC's primary liquidity risk relates to its liability for insurance claims. MHRC does not have material liabilities that can be called unexpectedly at the demand of a lender or client, and has no material commitments for capital expenditures, or need for same, in the normal course of business.

25. Contingencies

MHRC is involved in legal proceedings arising in the normal course of business, the outcome of which cannot be predicted at this time. In the opinion of management, the disposition of these cases will not materially affect the financial position of MHRC. Any settlement will be recognized in the year the settlement occurs.

26. Commitments

MHRC has the following commitments as at March 31, 2012:

a)	Housing project enhancements and new construction	$ 103,439,771
b)	Third party repair, renovation and new construction	$ 27,404,333
c)	Public housing operations:	

As a result of the Social Housing Agreement dated September 3, 1998, MHRC is fully responsible for the funding commitments of all Social Housing Projects in Manitoba. These commitments will expire on a staggered basis over the period ending 2031, concurrent with the Social Housing Agreement funding expiration date of August 31, 2031. An estimate of these commitments for each of the next five years is as follows:

2013	$ 74,228,000
2014	81,616,000
2015	91,986,900
2016	103,423,500
2017	111,462,700

27. Guarantees

MHRC has guaranteed the repayment of mortgages and has issued letters of credit which guarantee the terms and conditions of land development agreements and construction contracts. The total authorized for MHRC is $20,000,000. The outstanding guarantees are as follows:

	2012	2011
Joint Venture Investment Guarantee (note 8)	$ 2,400,000	$ 2,400,000
Waverley West Letter of Credit	9,690,746	1,389,120
Oddy at Westland Letter of Credit	31,200	-
Mobile Home Loan Guarantee Program	22,252	77,945
Bridgepark Loan Guarantee	2,148,000	-
	$ 14,292,198	$ 3,867,065

28. Related party transactions

MHRC is related in terms of common ownership to all Province of Manitoba created departments, agencies and Crown corporations. MHRC enters into transactions with these entities in the normal course of business. These transactions are recorded at the exchange amount.